

~~TOP SECRET~~
~~SECURITY INFORMATION~~

PSYCHOLOGICAL STRATEGY BOARD
WASHINGTON 25, D.C.

December 19, 1951

THE DEVELOPMENT

OF

AMERICAN PSYCHOLOGICAL OPERATIONS

1945 - 1951

by

Edward P. Lilly, Ph.D.

JCS and OSD review(s)

Preface	2
Glossary	4
Part I, War Experiences and Liquidations	5
Part II, Beginning of the Psychological Effort	29

25X1

HISTORICAL DOCUMENT

Destroy only with consent
of the Historical Staff

Name
Date

--

SECURITY INFORMATION
TOP SECRET

Page 1 of 95 pages

#33

037479
ER #1

28

TOP SECRET
SECURITY INFORMATION

December 19, 1951

PREFACE

This report covers in summary fashion the major developments during the past six years on that broad politico-military area of national policy which has been variously identified as propaganda, psychological warfare, or psychological operations. The subject matter has never been officially defined and there are almost as many diverse definitions as there are specialists and agencies in the field. The present study intentionally avoids any attempt at definition and uses these words in interchangeable fashion without any subtle distinctions or nuances.

The time factor necessitated serious restrictions on this study. Greater attention might have been given to the psychological elements influencing economic decisions. There was not time, however, to pursue this virgin research. Because the research could not be extensive and penetrating, many statements in the text have been so generalized as to be somewhat platitudinous. The treatment of attitudinal developments in State Department particularly suffers from these generalizations which must be made from lack of detailed evidence.

No conclusions are drawn in this study. The research is not sufficiently complete to substantiate worthwhile judgments. Conclusions also have an undue tendency to persuade and influence the rapid reader or the operator who seeks the short road to a knowledge of psychological activities. There is no such easy road to understand psychological operations and the more one reads on this subject, the sooner its complexities and intangibles will be appreciated. Perhaps then, progress in the field will be expected.

Even this rapid survey would have been impossible had it not been for the gracious and wholehearted assistance provided by the many who contributed to this study. The author is deeply grateful to the Staff of the

SECURITY INFORMATION
TOP SECRET

Page 2 of 95 pages

037479
E.R. #1

TOP SECRET
SECURITY INFORMATION

December 19, 1951

Psychological Strategy Board for the many courtesies extended to him and for the invaluable help and assistance received by him daily. Gratitude is also expressed to those listed in the footnotes who contributed so willingly of their time and memories. To all, the author is most grateful and indebted to them for information, viewpoints, encouragement and assistance. This report is not their responsibility, however, and whatever weaknesses exist in this study are solely the culpability of the author.

Edward P. Lilly

SECURITY INFORMATION
TOP SECRET

Page 3 of 95 pages

037479
ER #1

TOP SECRET
SECURITY INFORMATION

December 19, 1951

GLOSSARY

AFRS - Armed Forces Radio Service

CIA - Central Intelligence Agency

CIAA - Coordinator of Commercial and Cultural Relations Among
The Latin American Republics (after 1941, Coordinator of
Inter-American Affairs)

COI - Coordinator of Information

DCI - Director of Central Intelligence

ECA - Economic Cooperation Administration

ERP - European Recovery Program

ICS - Interdepartmental Coordination Staff

IFIO - Interdepartmental Foreign Information Organization

IFIS - Interdepartmental Foreign Information Staff

JCS - Joint Chiefs of Staff

JSPG - Joint Strategic Plans Group

NME - National Military Establishment

NSRB - National Security Resources Board

NSC - National Security Council

OPC - Office of Policy Coordination in CIA

OSR - Office of Special Representative in Paris (ECA)

OSS - Office of Strategic Services

OWI - Office of War Information

OP-16W - Special Warfare-Section

PSB - Psychological Strategy Board

SANACC - State, Army, Navy, Air Coordinating Committee

SWNCC - State, War and Navy Coordinating Committee

SWPA - Southwest Pacific Area

SHAEF - Supreme Headquarters, Allied Expeditionary Forces

UN - United Nations

USIS - United States Information Service

USSR - Union of Soviet Socialist Republics

VOA - Voice of America

SECURITY INFORMATION
TOP SECRET

Page 4 of 95 pages

TOP SECRET

~~TOP SECRET~~
SECURITY INFORMATION

December 19, 1951

PART I. WAR EXPERIENCES AND LIQUIDATIONS

The Psychological Strategy Board did not, like Minerva, spring unheralded into full-blown existence. The Psychological Strategy Board (hereinafter identified as PSB), established by the Presidential directive of 4 April 1951, was one action in a long series of psychological activities and it takes on perspective only with a knowledge of the previous efforts. The PSB may in one sense be a new development in American policy and yet this newness may be more apparent than real. Nations have always waged war, and they have also tried peaceful means to gain their national objectives. Even as they fought, the belligerents undertook non-military activity to influence and weaken the enemy's will so that victory could be more rapidly attained. Whether it was the Romans, the Saracens, Ghengis Khan, the American Continental Congress of 1776, or the Allies of 1917-1918, threats, rumors, enticing statements, bribery and political stratagems were intentionally used to confuse and hamper the enemy's purposes, to weaken and lessen their resistance and to persuade the enemy population that they should stop fighting. Appeals to entice and keep one's allies were a pleasanter aspect of such psychological activity. A classical example during World War I of such a psychological maneuver was President Wilson's announcement of his "Fourteen Points" (January, 1918). This declaration, momentarily united and idealized the war effort of the American and Allied governments and peoples, offered the enemy a hopeful and desirable future as the alternative to the horrors of war and appealed to neutral opinion on a high moral tone. During 1918, American propagandists, in George Creel's Committee on Public Information, in the War Department's Psychologic Branch and in General Pershing's Intelligence Division, exploited Wilson's themes to enemy, ally and neutral

SECURITY INFORMATION
TOP SECRET

Page 5 of 95 pages

~~TOP SECRET~~

TOP SECRET
SECURITY INFORMATION

December 19, 1951

through wireless bulletins, news and feature stories, leaflets, maps, posters and pictures. Allied agencies, if not American, employed covert methods to get those ideas circulated within Germany. In World War I, such psychological activity contributed in major fashion to the disintegration of the Hapsburg Empire and accelerated, if it did not cause, the weakening of the German government which made the armistice necessary.

America gained quite an extensive propaganda experience in World War I. After the Armistice, however, America preferred to slough off its responsibilities. The wartime propaganda agencies were rapidly liquidated. Official reports enumerated accomplishments but did not attempt to evaluate effectiveness or difficulties. Then all was forgotten until 1941.^{1/} America desired to be left alone to amass wealth in the Twenties and to concentrate on its domestic depression and recovery programs during the Thirties. While domestic information facilities increased, especially radio broadcasting, and Americans became the most news-conscious people, they remained basically indifferent to world developments. The widespread acceptance of the economic interpretation of history and of life, together with the revisionist histories of World War I, caused the average American to view wars as profit and persuasion: bankers and munition makers reaped the profit and plied their fellow citizens and world opinion with appealing propaganda to increase their gains. Unaware that they were thereby being propagandized, Americans became isolationist and concomitantly developed a phobia against the very word "propaganda", as a horrid, sinister word, a really un-American word and activity.

These attitudes solidified in the Thirties, but some few Americans

^{1/} George Creel, How We Advertised America (N.Y. 1919); Committee on Public Information, Official Report of... (Washington, 1919). It was not until 1939 that the first and still inadequate historical study on the Creel Committee was made. James B. Mock & Cedric Larson, Words That Won the War (Princeton, 1939). E.P. Lilly interviews with Elmer Davis, Robert Sherwood, et alii.

SECURITY INFORMATION
TOP SECRET

Page 6 of 95 pages

TOP SECRET
SECURITY INFORMATION December 19, 1951

became perturbed at Nazi Germany's use of psychological factors to control the German people and to threaten European security. By 1939, the Austrian, Czech and Polish incidents made clear that Hitler's regime was consciously using cajolery, bribery, threats both physical and moral, publicized use of force, diplomatic and economic measures, and a powerfully remilitarized Wehrmacht in accordance with a Nazi grand strategy. It was employing the psychological factor, overtly through its press service, its world covering shortwave broadcasting, and other controlled informational media, covertly through "fifth columnists", pan-Germanic groups, tourists and student groups and secret agents. When World War II started and especially with the fall of France (June 1940) and the aerial blitz and peace offensive against England, psychological warfare techniques became evident even to Americans. Some felt that only fire could fight fire; only American psychological warfare could counter and destroy Nazi psychological warfare. Such was the national hostility towards propaganda that official American action was long delayed.

America was engaged in a psychological war with the Nazis long before the nation became militarily involved. As early as 1939, Germany was waging psychological warfare in the United States, alternately cajoling or indirectly threatening, to prevent American aid to the Allies. Nazi economic and propaganda penetration of Latin America was a serious threat to our national security. Nazi conquest of France heightened the possibility that Latin America might fall into the Nazi power orbit. The United States had to act. Propaganda was still a horrid word, and the national administration in 1940 could not hope to establish an admitted propaganda agency. American psychological operations or opinion-influencing activities had to be cloaked in the subterfuge of agency titles. Unfortunately, the situation was never clarified and throughout the war, American propaganda was not officially admitted. America carried on informational activities. These semantics contributed to the endless discussions defining the agencies' functions and areas of activity, to their numerous inter-agency jurisdictional conflicts,

TOP SECRET
SECURITY INFORMATION Page 7 of 95 pages

TOP SECRET
SECURITY INFORMATION

December 19, 1951

and to a suspiciously delimited and begrudged participation in the war effort. The very term "psychological warfare" was intentionally dreamed-up to conceal, and, although it has now been used in government circles for a decade, no agreed definition of the phrase as yet exists. Forgetting that America had used propaganda in every national emergency we confused ourselves, and weakened our psychological efforts to avoid arousing the national aversion to propaganda.

Because all Americans, Republicans and Democrats, agreed on hemispheric defense and Pan-Americanism, the Roosevelt administration could establish an agency to coordinate our defense activities in Latin America and to foster Latin American attitudes favorable to our objectives. There would not be partisan clamor if its propaganda aspects were properly concealed. In August 1940, Nelson A. Rockefeller was appointed as "Coordinator of Commercial and Cultural Relations Among the Latin American Republics" (hereinafter identified as CIAA). While the Rockefeller agency had economic, financial and commercial responsibilities in Latin America, its primary function was to employ all these instruments in conjunction with an extensive American information program so that the Latin Americans would recognize Axis success as a serious threat to their freedom. With such information Latin Americans would naturally join the United States in aiding the Western Allies against the Axis aggressors. This prime purpose of Rockefeller's CIAA had to be concealed in verbiage, lest the American people and the world suspect that the United States was engaging in that horrid activity - propaganda. 2/

Similarly, in mid-1941, with Lend-Lease, American Aid to Russia and American occupation of Iceland, it became necessary to establish another organization which would make clear to the people of Europe, that

2/ Rowland, History of the Office of the Coordinator of Inter-American Affairs (Washington, 1949).

SECURITY INFORMATION
TOP SECRET

Page 8 of 95 pages

TOP SECRET
SECURITY INFORMATION

December 19, 1951

is, to England and its Commonwealth, to the peoples in occupied areas, to the neutral nations, and even to the Axis powers, that the American policy favored the Allies and was opposed to the Axis. Because of the delicate domestic situation, the administration still could not openly speak of a propaganda agency to influence the opinions and actions of Europeans, although national policy required that all Europeans should clearly understand the basic American preference for an Allied victory. Hence, a Coordinator of Information, William Donovan, was appointed in July 1941, ostensibly to centralize the government's foreign intelligence. It was understood, however, by the President, the Bureau of the Budget and Donovan that COI would not only collect and evaluate intelligence, but that it would also operate an extensive foreign information service so that Europeans would interpret American views and policies most favorably to the Allied cause. Like Rockefeller's CIAA in Latin America, COI's developing informational activities throughout the Eastern Hemisphere (Europe and Asia) had to be cloaked in indefiniteness, if not actual secrecy.

Prior to our entrance into World War II, these two agencies increased the existing American information media in overseas areas. Being adequately serviced with American news, world opinion could not fail to cooperate with the United States in aiding the Allies and opposing the Axis. The agencies operated on the principle that American information programs were based on truth. Lies, deceit, and misinterpretations should not be a part of the American effort. This philosophy of truth continued throughout the war. In one sense, all propaganda is based on the truth since false propaganda is rapidly discovered and destroys the whole effort. The important but undetermined element, however, is the proportion of truth and the proportion of interpretation to be included in the information program. The information operators in COI and CIAA had to learn the distinction between straight news and an opinion-influencing program which would support

SECURITY INFORMATION
TOP SECRET

Page 9 of 95 pages

TOP SECRET
SECURITY INFORMATION

December 19, 1951

American war aims, increase Allied morale, and yet weaken the enemies's fighting spirit. Even after Pearl Harbor, American agencies refused to use the term "propaganda". Similarly, the term "political warfare" was unacceptable to American agencies because it was a traditionally British instrument and hence suspected by many Americans.. Therefore, American participants in overseas informational activities became habituated to the phrase "psychological warfare", as a cover term which was only vaguely understood or appreciated.

Although it remained undefined American psychological warfare did develop into an extensive wartime operation. Rockefeller's CIAA fed increased American information into Latin America, by shortwave radio and especially by increased use of the local Latin American information media. Local radio stations were persuaded or subsidized to carry unidentified American programs. Local newspapers, through CIAA's judicious supplying of limited newsprint and American advertising, used additional American materials. American residents and native Latin Americans were organized into local national committees to issue publications, news photos and magazines, to make speeches favorable to the United States and to provide a local group to answer all queries about the United States and its policy. COI increased its informational activities in the Eastern Hemisphere until, in June 1942, its functions were divided between the Office of War Information and the Office of Strategic Services.

This division did not indicate any increasing appreciation of psychological warfare; it was the confused domestic information program and the jurisdictional rivalries among the psychological warfare agencies which motivated the change. The Office of War Information (hereinafter OWI) (Executive Order No. 9286, 13 June 1942) would be responsible for keeping Americans as well as the people of the Eastern Hemisphere adequately informed about the American war effort. This combination of domestic and overseas activities in OWI made its operations more difficult. The military and the diplomats, fearing the OWI was only another publicity agency,

SECURITY INFORMATION
TOP SECRET

Page 10 of 95 pages

TOP SECRET
SECURITY INFORMATION

December 19, 1951

hesitated to give it classified items about future military operations or national policy. Newspapers and some Congressmen viewed all OWI activities as Administration publicity. Yet OWI was responsible for the development and execution of the overt, or the officially admitted, side of American psychological warfare. The Office of Strategic Services (hereinafter OSS), established by the President's military order of 13 June 1942, as an agency of the Joint Chiefs of Staff, was responsible for covert operations, i.e., those activities not attributable to the American Government. These three agencies, CIAA, OWI, and OSS, were the major organizations involved in American psychological warfare but the whole organizational picture was confused by the fact that the War Department had a Psychological Warfare Branch and the Navy had a Special Warfare Section (OP-16W). During 1942, there also was a Joint Psychological Warfare Committee in the JCS. Other agencies performing activities directly related to psychological warfare were: The Board of Economic Warfare, the Office of Censorship, the War Production Board and the Federal Communications Commission. Uncertainties about each agency's responsibilities in psychological warfare developed the innumerable jurisdictional conflicts among all these agencies and delayed effective planning and cooperation in this field.

Although coordinated planning was lacking, extensive psychological warfare operations developed. Shortwave radio broadcasts covered the world on a 24-hour a day basis employing some 40 languages. Transmitter coverage was increased from an original 11 to 36 powerful transmitters which were available in 1945. News photos, pictures, brochures and other publications, as well as specially spliced news reels, film documentaries and even full length feature movies were distributed to influence world opinion. Psychological warfare Divisions or Branches were gradually established in all the major combined and American theaters of operation to develop these activities in unison with military operations. At AFHQ and

SECURITY INFORMATION
TOP SECRET

Page 11 of 95 pages

TOP SECRET
SECURITY INFORMATION

December 19, 1951

SHAEF, these military psychological warfare units consisted of military and civilian personnel, both British and American. In strictly American theatres (i.e., SWPA, China, Cincpac-Cincpoa) only American civilian and military personnel composed the psychological warfare units.

These military units employed every technique developed by the civilian agencies and supplemented them with psychological warfare aimed directly at the enemy soldier. They initiated their own radio broadcasting facilities and programs. They used newspapers and other published media to influence populations in areas which had been occupied by the advancing Allies or to prepare enemy occupied areas for the Allied advance. These theatre units particularly emphasized airborne leaflets as the major instrument for weakening the enemy soldiers' will to fight. SHAEF, for example, saturated German occupied areas of Western Europe with over 5 billion leaflets. In the process, it developed a weekly newspaper especially prepared for German soldiers which was weekly distributed, by air. These papers became a feature which German soldiers expectantly awaited. By 1945 psychological warfare had become an accepted, if not well understood, instrument of the American war effort. Over 30,000 people were directly involved in its operations at home and in the theatres. Congress was appropriating funds for this activity at the rate of \$150,000,000 a year.

While extensive psychological warfare operations were developed by the civilian and military agencies, American psychological warfare planning was continuously characterized by improvisation. The journalistic concept that people be fed truthful news dominated American psychological warfare planning and this concept was never completely abandoned. Gradually, but never admittedly, its planners did interpret and slant details to obtain the most extensive overseas acceptance of the American view. Such planning was seriously hindered and limited by America's wartime policy of short-range propaganda goals: Unconditional surrender, the United

SECURITY INFORMATION
TOP SECRET

Page 12 of 95 pages

TOP SECRET
SECURITY INFORMATION

December 19, 1951

Nations and lasting world peace.

Planning was also hampered by the reluctance of the military and the diplomats to give the psychological planners any foreknowledge of future plans. This failure was partially justified on security considerations but the main reason was that the military and political policy makers felt that psychological warfare did not need positive knowledge of future policy. If current news or developing international tensions might endanger national policy, the military and political agencies would guide psychological warfare activities with negatives or vetoes. The State Department and JCS always maintained that they could veto any propaganda lines without offering any justification.

In overt activities, OWI's weekly directives supposedly set the tone and the policy lines for all American propaganda, although they were primarily attuned to radio and news operations. The theatre units, since these directives were not sent through military channels, looked upon these OWI directives merely as guidances. Rapid military communications were not available to OWI and its directives were so delayed that they were no longer operationally effective. It was only in mid-August 1945, as the Japanese were surrendering and then only because occupational problems worried the military, that JCS gave OWI directives an official status. This action provided OWI with a military channel of communication. JCS also directed theatre commanders to accept these directives as JCS approved policy. While much was accomplished operationally in psychological warfare and while military commanders, from Theatre to Divisional levels, acknowledged its value, the following quotation fairly and accurately summarizes America's psychological warfare effort in World War II:

The United States psychological warfare has a history of improvisation without central leadership, control or integration

SECURITY INFORMATION
TOP SECRET

Page 13 of 95 pages

TOP SECRET
SECURITY INFORMATION

December 19, 1951

with the other methods of obtaining national objectives ^{2/}

As V-E day passed and the final attack on Japan was in the making, psychological warfare appeared to be an accepted activity. Newspapers gave almost daily attention to leaflet and loudspeaker activities in combat. Congressmen and editors discussed its use to quicken Japanese surrender. The JCS considered the reestablishment of a psychological warfare committee. The Air Force, particularly the 20th, had gone all-out for it. Even the staid old departments, State and War, petitioned Congress not to cut OWI's funds for psychological warfare:

"This Department regards this work as an important and, indeed, at the present time, indispensable to the most effective conduct of American foreign affairs. Its liquidation would silence the Voice of America abroad at the very time when it is most necessary to get the American story told and the American policies understood among foreign peoples." ^{4/}

By June 1945, all top government officials were aware of psychological warfare and, if questioned, would have conceded that it had contributed to the more rapid termination of the war. However, herein lay one of its weaknesses and the seeds of its subsequent decline. Nobody could say precisely what psychological warfare had actually contributed. Broadcasts could be totalled, leaflets counted and the amount of pictures and printed verbiage amassed. No one, however, not even the psychological warriors, could say with any precision, much less prove, how it all had affected ally or enemy or what it contributed to the

^{3/} A detailed history of American psychological Warfare has been prepared for the Joint Chiefs of Staff by E.P. Lilly. (C) JCS 224/2, "Status of Office of War Information Propaganda Directives" 6 Aug 45. (C) Cable, War Dept., CM OUT46488 (11 Aug 45) JCS to American Theatre Commanders. (S) SWNCC 304/1, "Report of the Ad Hoc Committee..." 10 Dec 46, Appendix B, p. 16 [approved by SWNCC 30 Apr 1947].

^{4/} (U) Memo, Joseph Grew, Under Secretary of State to President, "Restoration of OWI Funds in Senate", 11 Jun 1945; (R) Ltr., Gen. G. C. Marshall, Chief of Staff, to Senator McKellar, 14 Jun 45; (R) Ltr., Sec/War Stimson to President, 19 Jun 45. OPD 334.8 OWI, Sect. 9, Case 43, in AG Records.

SECURITY INFORMATION
TOP SECRET

Page 14 of 95 pages

TOP SECRET
SECURITY INFORMATION

December 19, 1951

winning of a particular battle or to the war. Psychological warfare was an intangible concept whose value and effectiveness was practically a matter of faith. Since it was considered "un-American", its inability to prove its worth was embarrassing.

America's psychological warfare effort in World War II, large and influential as it might have been, was permitted to fall off into practical non-existence when the Japanese war ended. A repetition of World War I dissolution and subsequent forgetfulness seemed to be in the making. In the summer of 1944, when the European war seemed to be rapidly ending, each agency did some thinking about its post-war status. OWI and CIAA discussed the post-war information needs of the United States with the newly appointed Assistant Secretary of State for Public And Cultural Relations. These discussions occurred mainly because of the personality (Archibald MacLeish) who was Assistant Secretary, rather than any wide-spread State Department acceptance of the importance of any government information program overseas. Expecting a long Japanese war and then a six-months liquidation period, State, OWI and CIAA felt that they had time to work out long-range transferral programs. Expectation was that State's Foreign Service would take over the information activities at the many outposts. The agencies would develop their long-range plans so that an eventual take-over by State would be easier. About the same time, OSS developed a proposal for a continuing central intelligence service, incorporating most OSS functions into a peacetime agency. Government agencies had asked for comments and the proposal merited attention and discussion even in the newspapers. Continued German resistance, and particularly the Ardennes offensive, postponed additional action. The information agencies so concentrated on the final defeat of Germany, and then of Japan, that post-war planning was practically ignored. The relatively surprising Japanese surrender

SECURITY INFORMATION
TOP SECRET

Page 15 of 95 pages

TOP SECRET
SECURITY INFORMATION

December 19, 1951

in mid-August, therefore, ended the fighting war before serious attention had been given to balanced planning on the post-war information needs of the American government.

In the subsequent liquidation of the American psychological warfare agencies, several factors must be mentioned as contributing to its apparent haste. The majority of the psychological warfare personnel were free-lance, creative and self-assertive individuals who might work in a government agency during wartime but who sought their individualistic professions when war ended. Feeling that they had done their bit, they rushed to get out of routine government operations. Secondly, during wartime it might be overlooked, but the traditional American hostility towards propaganda remained. When there is added the American post-war optimism that international relations would be an open exchange among the democratic nations, it is understandable that the psychological warfare agencies hesitated to invite possible Congressional and public hostility by suggesting the retention of government propaganda. Finally, the Administration desired to re-establish the government's peacetime basis as expeditiously as possible. The policy of the Budget Bureau might be summed up in the statement that the Administration did not want to eliminate clearly useful functions developed during the war. It was best, however, to liquidate rapidly those wartime activities which were not clearly demonstrable as necessary to the government's peacetime policy. These three factors--the personnel element, the fear of Congressional or public hostility, and the Administration's attitude on the government's peacetime structure--contributed to the hectic liquidation of the psychological warfare agencies.^{5/}

^{5/} E. P. Lilly interview with Samuel Rossenman, December, 1945; with Mr. Schwartzwalder and Sydney Souers, November 1951.

SECURITY INFORMATION
TOP SECRET

Page 16 of 95 pages

TOP SECRET
SECURITY INFORMATION

December 19, 1951

While CIAA and OWI visualized that their broadcasting and news functions would be incorporated into the State Department, few definite plans for the orderly incorporation of these functions had been developed by any of the agencies. When the Japanese announced their surrender, the war agencies were told to get their liquidation plans to the White House. Only by continuous conferences, the final one lasting 12 hours, was OWI able to get its liquidation plan into the White House within the three-day deadline. The Bureau of the Budget apparently had no definite plans regarding the psychological warfare agencies, and recommended that the President appoint a Committee of Three: John Snyder, Director of War Mobilization, Samuel Rossenman, Special Counsel, and Harold Smith, Director of the Budget, to study the problem and prepare the Executive Orders. Because there was uncertainty as to what information activities America really needed, an interim intelligence agency was proposed to continue the necessary intelligence functions and to commence the orderly liquidation of activities deemed unnecessary for a peaceful America. CIAA's and OWI's overseas activities were likewise to be combined in an independent Interim Information Office under the policy direction of the Assistant Secretary of State for Public Affairs. State and the information agencies were given four months to determine what functions and personnel should be retained or could be eliminated. On 31 August 1945, President Truman issued an Executive Order providing that OWI's domestic activities should cease on 15 October 1945 and that its overseas information activities, together with CIAA's, should be integrated into the Department of State by 31 December, or liquidated^{6/}

^{6/} Executive Order 9608: "Providing for the Termination of the Office of War Information, and for the Disposition of its functions", 31 August 1945 /10 Fed. Reg. (1 Sep 45) pages 1123-1125/ .

SECURITY INFORMATION
TOP SECRET

Page 17 of 95 pages

TOP SECRET
SECURITY INFORMATION

December 19, 1951

A similar directive was developed by the President's Committee of Three for terminating OSS. Except for secret intelligence, OSS's intelligence activities were to be integrated into the reorganized intelligence functions of the State Department. State Department did not want to handle the necessarily gradual liquidation of OSS's secret and covert operations. Other intelligence agencies had wanted secret intelligence files, if not its functions, to substantiate hostile criticism of civilian intelligence. To minimize conflict, a Strategic Services Unit was established under the Secretary of War to liquidate the unnecessary activities of OSS,^{7/} to maintain OSS's existent secret intelligence channels, and to keep the trained secret intelligence operators and analysts until adequate arrangements for secret intelligence could be determined.

The interim agencies established under the control of the State and War Departments tried to analyze the utility of their functions. The philosophy of keeping only the proven useful and desired budget reductions caused the elimination of activities which agency people thought, but could not prove, would be valuable in the post-war world. OSS's Morale Operation was considered too dangerous for peacetime American policy. Similarly, other secret operations necessary to wartime policy but not within the spirit of American peacetime international relations had to be liquidated. However, a few top personnel foresaw that even in peacetime, America might need some secret operations and so a cadre of the best secret operations people were slotted in secret intelligence positions with the assumption that they revive secret operations if necessary. ^{8/}

^{7/} Executive Order 9621: "Termination of the...[OSS]" 20 Sep 1945, 10 Fed. Reg. (22 Sep 1945) page 1203. E.P. Lilly interview with Admiral Souers, Schwartzwalder and Brig. Gen. John Magruder (Ret.) who was head of the Strategic Services Unit.

^{8/} E. P. Lilly interview with Sydney Souers and John Magruder.

SECURITY INFORMATION
TOP SECRET

Page 18 of 95 pages

TOP SECRET
SECURITY INFORMATION

December 19, 1951

Other pressures were undercutting America's overt psychological operations. The American press associations, publishers, and motion picture distributors had permitted government agency operation in their overseas outlets during the war because as private enterprises they could not operate during wartime. With peace, the private informational media wanted to resume their own operations without competition or interference from a government agency. For example, the Associated Press and the United Press had been willing to provide their news files to OWI and CIAA and permit its uncontrolled transmission overseas as government news. At the end of 1945, however, they informed State's Interim Information Service (hereinafter IIS) that since peace was again established in the world, they could no longer contribute their service to a government unit which dangerously competed with their overseas commercial outlets. IIS was thereby cut off from a major news source, and it could only provide a textual service and editorial commentary from those newspapers which would permit such use. Similarly, elements in State Department sought the elimination of the all secret intelligence lest it threaten its position in the intelligence field. Much manipulation went on behind the scenes. Existing departments desired to do away with competing wartime activities. Simultaneously, a few far-seeing individuals in government and in private enterprise urged the retention of some activities as necessary adjuncts to a government which had become the world power.

The rapid liquidation of America's psychological warfare operation, which was practically completed by the end of 1945, was based on two uncertain factors: potential utility and adaptability to prospective national policy. The utility of psychological activities is an intangible on which many have opinions but no one has authority. Even in 1952, there are no certain means of determining its precise value and

SECURITY INFORMATION
TOP SECRET

Page 19 of 95 pages

TOP SECRET
SECURITY INFORMATION

December 19, 1951

in 1945, there was even a lack of interest in such evaluation. Hence the judgments in the liquidation process as to what activities would be retained were made on a rule of thumb or a personal basis. During the war, the information agencies had attempted to make operational evaluation of the audience appeal and technical receptivity of their programs. In theaters of operations, military psychological warfare units unsuccessfully attempted the public opinion poll technique to arrive at some estimate of the activity's worth. Similar efforts were sporadically made during the early occupation of enemy areas. People were asked if they had seen leaflets or had heard radio broadcasts. More importantly, but with less satisfactory results, the interviewee was asked what influence the item had on his attitude and actions. No formal reports of these evaluating efforts were ever made.

By unofficial pressures, two questions bearing on the effects of psychological warfare "snuck" into the Morale questionnaire, which was a small feature of the United States Strategic Bombing Survey of aerial war damage in Japan. No such questions were asked in the European survey. The report on Japanese Morale mentioned leaflets as a factor contributing to the weakening of enemy morale, but it made no serious evaluation of their contribution. The Propaganda Branch of the War Department made three distinct efforts in 1945-1946 to get authorization for a survey of the effectiveness of military psychological warfare. While such proposals were recommended on the highest General Staff levels, they were never approved on the Secretary's level. Interestingly, neither CWI nor OSS was willing to assign any liquidation funds to the completion of detailed histories which had been started. It was only by unofficial and personnel pressures that the JCS authorized and supported a "War Report" on OSS and a History of

SECURITY INFORMATION
TOP SECRET

Page 20 of 95 pages

TOP SECRET
SECURITY INFORMATION

December 19, 1951

9/

Psychological Warfare.

The uncertainties of utility as a criterion for estimating what psychological activities should be continued into peacetime were matched by the indecisiveness of national policy as the world shifted from war and started the United Nations as the hope for world peace. The fighting was ended; the aggressive totalitarian nations had been vanquished. For Americans, the dawn of world-wide democratic, peaceful and cooperative international co-existence was in the making. The major problems were: reconstruction and rehabilitation of war-torn areas and the economic and political development of the backward or colonial areas so that eventually they would be self-governing participants in the international paradise.

In addition to support of the United Nations, America's major goal was to get along with the USSR which was viewed as a democracy, at least in potency. Concessions were made to the Russians to prove that the Western Powers would live up to their wartime agreements and did not favor a cordaine sanitairre. In this atmosphere, American policy makers considered that psychological warfare or the direct influencing of world opinion was inappropriate. World opinion was recognized as a major support of the United Nations but that opinion should be based on enlightenment through factual information.

The American position although probably never reduced to paper ran along these lines. If the world were given straight facts about American objectives and desires, men would necessarily recognize the cooperative position of the United States. If the United States adopted

9/ PWD-SHLEF and PWB-AMHC records in AG Record Center, Dept. of Army, contain the initial reports of the public opinion surveys. The author was connected with the Propaganda Branch's proposals for a survey, and with the OMI and OSS historical projects. Report on Japanese Morale (Government Printing Office, 1948) is a publication of the United States Strategic Bombing Survey.

SECURITY INFORMATION
TOP SECRET

Page 21 of 95 pages

TOP SECRET
SECURITY INFORMATION

December 19, 1951

varying techniques to influence world opinion in accordance with American objectives, other nations would be justified in using the same techniques to obtain their desired ends. The United States would set the good example, which the other nations would adopt voluntarily or through the force of world opinion. The unadulterated facts speak for themselves and are more acceptable to the common man than government opinion influencing efforts. America had no selfish post-war policies, and therefore we needed only channels to insure that all peoples knew the American policy. World opinion could not avoid favoring our position in most matters. The information program of the Department of State needed only sufficient machinery from OWI and CIAA to insure that the American viewpoint would be objectively and impartially presented throughout the world. American policy makers undoubtedly were aware that Russia and Britain were not limiting themselves to factual information but were continuing to issue propaganda supporting their national positions. American policy makers, at least in early 1946, seemed to feel that the United States should be above such measures. The great hope was that world opinion, like the American public, would develop an aversion to governmental propaganda.

With this attitude, the United States had practically liquidated its psychological activities by early 1946. The better qualified personnel had returned to their normal occupations. All covert operations had been abandoned and only overt information activity was uncertainly available. These overt psychological aspects existed without any clear delineation of their status or high level acceptance and support for their continued existence. The Office of International Information and Education of the Department of State retained its indefinite jurisdiction over thirty-six international shortwave transmitters in the United States, together with contractual relay arrangements with the British

SECURITY INFORMATION
TOP SECRET

Page 22 of 25 pages

TOP SECRET
SECURITY INFORMATION

December 19, 1951

Broadcasting Company and the group of relay transmitters in Algiers and in Manila. State also maintained a limited news service at each embassy where local United States Information Service tried to insure the distribution of American texts, editorial round-ups, occasional feature articles, newsphotos and news letters to the local molders of opinion.

State's information activity was seriously hampered, however, by two factors: the hostile Congressional attitude toward government information efforts and the indifference, if not hostility, of the career Foreign Service Officers to this unusual addition to their duties and responsibilities. Both factors were inherited from OWI and the State Department felt embarrassed by the continuance of an information service. Because it was an activity relatively new to Foreign Service personnel, it was not strongly supported or defined in the Department itself. The information program was administratively in State but it was not in State's policy side. State policy people thought of the information staff as journalists. They would be told what the State Department was doing or planning only after the action had taken place. Such publicity-minded people need not and should not be taken into the political planning process or the background discussions leading to decision. Information people did not have the political intelligence or experience to advise Foreign Service Officers in the Department or in the diplomatic missions.

These attitudes naturally frustrated the information people. They did not claim the right of participation in policy making. However, aware that the words and the manner by which the policy was presented often had as great a foreign impact as the substance of the policy itself, information people wanted to be consulted before the decision was finalized. Without altering the policy such discussions might lead to

SECURITY INFORMATION
TOP SECRET

Page 23 of 95 pages

TOP SECRET
SECURITY INFORMATION

December 19, 1951

a presentation of the policy in a way which would have the most favorable impact upon all foreign audiences. This difference of attitude between the information and political policy people in the Department of State long hampered effective action. Policy makers considered that they had evaluated the psychological factors and the information people merely had to grind the mill and publicize it. Information specialists, while they disseminated the policy given them, saw how an improved presentation would have obtained a more favorable reaction. It was several years before the career Foreign Service Officers modified their views. In the interim, a full and fair picture of America was the only admitted objective of State's information program.

Intra-departmental coldness towards information activity was a limitation upon the program's effectiveness. An even greater deterrent to psychological activities was the hostility of large segments of Congress toward such activities. Part of the hostility was a hangover from Congress' attitude toward OWI; part was due to the privately owned information media seeing State's program as competition, and part was due to the unpopularity of the State Department, probably arising out of the frustrations of the postwar crisis which could not openly be directed at the political and policy sections but could safely and openly be vented against the information program. Hence rancorous partisans and even Democrats with grievances could attack, belittle and cut the funds for the information program and still claim that they were not interfering with foreign policy. The information program therefore became one of Congress' perennial whipping boys. This attitude was evidenced in appropriations for the information program between 1946-1948 which were reduced by more than half. These actions required that the personnel be reduced in proportion. The publicized abuse and criticism and Congressional uncertainty about the information program increased these personnel losses, not merely in quantity but more

SECURITY INFORMATION
TOP SECRET

Page 24 of 95 pages

TOP SECRET
SECURITY INFORMATION

December 19, 1951

importantly, in quality. The better trained and the more capable people decided that their status in State was too precarious. They pulled out of the information program and moved into more certain and more effective work. In this process, State lost the most capable specialists with whom an expanded operation might have been developed. When the demands increased after 1949, the Department had to start practically from scratch.

Another example of inappropriate pressure on the information program was the Congressional insistence in 1947 that America's international news programs should be prepared and programmed by the private broadcasting companies with funds provided by the Department. Within a year private enterprise came back to Washington begging the Department and Congress to return to the old system whereby the companies rented the facilities to the Department of State and the Department had to recruit inexperienced people to fulfill its responsibility of programming the entire output. No matter how interested or aggressive State's information people might be, they were hampered by the Department's disinterest and the acknowledged hostility of the Congress and of private enterprise towards government information activities.

Indefinite and ineffective as State's information program might be in comparison with Russian propaganda, the overt psychological activity did maintain its existence. Covert psychological warfare disappeared. National policy of 1945 and 1946 viewed covert operations as un-American and undesirable. Little high level support could be developed for continuing the experience of such operations even within a small planning cadre. When powerful groups condemned the maintenance of any American secret intelligence, it is understandable that covert operations would receive even less favorable attention. Yet an ad hoc decision to maintain secret intelligence activities

SECURITY INFORMATION
TOP SECRET

Page 25 of 95 pages

TOP SECRET
SECURITY INFORMATION

December 19, 1951

provided the strand on which postwar covert operations were attached. Without detailing the inter-governmental differences about central intelligence, the residue of OSS' secret intelligence activity was finally formed into a Central Intelligence Group under a Director of Central Intelligence who would be responsible for an interdepartmental committee. This was accomplished by the Presidential directive, 26 January 1946, "Coordination of Federal Foreign Intelligence Activities".

The significant phrases about covert activities in this directive, which the President issued on the personal recommendations of his staff advisors rather than upon the recommendations of the Departments concerned, were two vaguely stated duties assigned to the Director of Central Intelligence (DCI). Covert operations were eventually to be developed from them. In addition to correlating and evaluating all intelligence and recommending over-all policies and objectives, DCI would perform such services as the three Secretaries determined could be more effectively accomplished centrally and "perform such other functions and duties relating to intelligence affecting national security as the President or the National Intelligence Authority may direct".^{10/}

It is not clear whether this directive in these phrases visualized that covert operations might become necessary and thereby provided for them. Such interpretations were current in the military intelligence agencies. Whether these phrases were so conceived on the White House level cannot be documented, but Congress in establishing the Central Intelligence Agency (CIA) in the National Security Act of 1947 used the same wording as this directive. These clauses were also explicitly

^{10/} Presidential directive to Secretaries of State, War and Navy, "Coordination of Federal Foreign Intelligence Activities", 26 January 1946, 11 Fed Reg (5 February 1946) p. 1337.

SECURITY INFORMATION
TOP SECRETPage 26 of 95 pages

TOP SECRET
SECURITY INFORMATION

December 19, 1951

mentioned in subsequent National Security Council (NSC) papers as the basis for including covert activities within CIA. 11/

During the postwar years 1946 and 1947, psychological operations were in abeyance or of insignificant calibre. American policy continued to hope for ideal international relations and an Assistant Secretary of State returned from the first general conference of UNESCO glorifying the conference's theme: "peace on earth and good will to men". In this climate of opinion the State Department's information program could only be a specialized press service. State did not distribute its news where the American press wire services already operated. It did send complete texts of American statements which the wire services rarely transmitted. In areas not covered by American news services the State Department attempted to maintain a brief but inclusive American news service but in a reduced number of languages. As a news service, planning aspects became unimportant. The highly developed planning procedures with directives, considered and approved by military and diplomatic policy people, fell into abeyance.

At the same time the armed forces maintained their special information programs, particularly Armed Forces Radio Service (AFRS), for American soldiers in areas of occupation. Policy and operational contact between the AFRS and State's information was non-existent. State's information programs were prepared to satisfy foreign sensibilities and possible foreign interpretation. The AFRS with its GI audience tailored its news to their American needs. It was gradually recognized that foreigners listened to AFRS to learn the real American

11/ Material on the above was secured in discussions with G.F. Schwartzwalder (Bureau of the Budget), with Rear Admiral Sydney Souers, USN (Ret.) (Executive Office of the President) and Brigadier General John Magruder, USA (Ret.) (Office of the Secretary of Defense).

SECURITY INFORMATION
TOP SECRET

Page 27 of 95 pages

TOP SECRET
SECURITY INFORMATION

December 19, 1951

views. They considered that AFRS' programs were not propaganda, whereas State's Voice of America (VOA) being the official American output was tainted with propaganda.

Until 1947 it does not appear there was any serious effort to coordinate the output of these separate outlets even though differences in presentation might seem to foreigners to be contradictions or variations in American policy. Meanwhile State's program continued to be hampered by domestic minorities insisting that a false impression of the United States was being given to Europeans. Unfavorable publicity reduced the imaginative possibilities and State's operators felt themselves bound to a presentation of "a fair and balanced picture of the United States". As Russian propaganda became aggressively anti-American, the State Department hesitated to counter it with American propaganda lest Congress eliminate the entire information program.

SECURITY INFORMATION
TOP SECRET

Page 28 of 95 pages

~~TOP SECRET~~
SECURITY INFORMATION

December 19, 1951

PART II. THE BEGINNING OF THE PSYCHOLOGICAL EFFORT

While the United States Government, by choice and under private and Congressional pressure, limited its information activities to factual news about American policy, the international scene was clearly changing. Hopes for a mutually peaceful understanding with the USSR became dimmer as Communist pressures increased in the satellite areas of Eastern Europe. Russian attitudes in the United Nations and at the four Foreign Ministers' meetings were not lessening the tension. A contributing factor was the Russian intransigence on the regulation and control of atomic energy by the United Nations. Similarly, Russian pressure on Iran, her demands upon Turkey for pre-eminence on the Straits question, and more particularly the evident but unofficial Communist intervention in the Greek Civil War, forced American policy to reconsider its hopefully idealistic approach of 1945.

On the Greek problem, America had joined in the UN Security Council proposal to send an investigating committee which Russia opposed to study the border incidents. At the end of 1946, an American Economic Mission was appointed to assist Greece in rehabilitating its economy and maintaining its national independence. Similarly in early January 1947, the United States sent basically identical notes to Britain, Russia and to Poland protesting in diplomatic language against the undemocratic procedures of the existing Polish provisional government. The note claimed that such official conduct would prevent the coming Polish elections from being truly democratic and free. ^{12/}

^{12/} W. Millis, Editor, The Forrestal Diaries (NY 1951) gives innumerable instances of American official concern, p. 129 ff: State Department Bulletin XVI, No. 392 (5 Jan 47), p. 20; No. 493 (19 Jan 47) P.134.

SECURITY INFORMATION
TOP SECRET

Page 29 of 95 pages

TOP SECRET
SECURITY INFORMATION

December 19, 1951

This paper need not detail the development of the two fundamental American policy decisions of 1947 which altered the whole trend of national policy and revitalized psychological operations. Undoubtedly State and the Military Departments had done much thinking as the Russian domination in Eastern Europe became clearer during 1946. In any policy change the influence of domestic considerations had to be kept in mind. Americans wanted peace and believed that continued cooperation with the Russians, together with the United Nations, would bring peace if our leaders took the correct steps. American dominance in atomic developments gave us a feeling of superiority if an undesired war developed and yet it also hampered our freedom of considering alternatives because of the horrendous implication that in war the atomic bomb might be used against American cities.

Whether its domestic and foreign psychological implications were appreciated or not is unknown, but America had taken the position that it would use the atomic bomb on any aggressor against international peace. American public opinion accepted this policy in expectation that it would compel an effective control over atomic energy. There was the unquenchable fear, however, that we would use the atomic bomb in case of aggression, and there would be an atomic retaliation against the United States. As Russian aggressive intentions became clearer, American policy planners, aware of domestic opinion and hoping for the idealized international peace under the United Nations, had to develop a position which could check Russian intentions and still avoid the catastrophe of war.

The solution was the Truman Doctrine, enunciated by the President to Congress on 12 March 1947. Greece and Turkey had been under severe Communist pressure to establish governments more friendly to Communism. In Greece, guerrilla warfare between Communist groups and

SECURITY INFORMATION
TOP SECRET

Page 30 of 95 pages

~~TOP SECRET~~
SECURITY INFORMATION

December 19, 1951

the government had continued for a year. Russian threats had forced Turkey into a rearmament program which jeopardized its economic existence. Britain had aided these countries with both political advice, economic and military assistance. By 1947 Britain's domestic economy was so precarious that England warned that if the United States could not replace British military and economic aid, the Eastern Mediterranean would fall into the Communist orbit by Allied default. This British action was publicized and the American public became excited. Opinion favored checking Communist intentions but insisted upon the avoidance of war. The answer was the Truman Doctrine, the Doctrine of Containment, developed mainly by the Department of State with the approval of the military services.

The Truman Doctrine expressed in the President's speech to a joint session of Congress declared it to be desirable American policy to provide arms, economic aid, and military advice to Greece and Turkey so that those governments could maintain their freedom against an engulfing Communism. While he explicitly requested aid for Greece and Turkey, the President declared that future American policy would continue to contain Communism within its then existing area. Wherever Communist pressure threatened to push beyond the existent Communist-controlled areas America would provide aid to the nation so threatened which wanted to maintain its freedom ^{13/}

^{13/} State Department Bulletin XVI, No. 403 (23 Mar 47) p. 534 ff; Forrestal Diaries, p. 247, ff. The policy of containment was most explicitly developed in an unsigned article, "Sources of Soviet Conduct", Foreign Affairs, XXV (July 1947) p. 566-582, which currently and thereafter was attributed to the State Department's major Russian planner, George Kennan. The gist of of the Truman Doctrine is in the words "the main element of any United States policy towards the Soviet Union must be that of a long-term, patient but firm, and vigilant containment of Russian expansive tendencies....The possibilities of American policy are (contd. next page)

SECURITY INFORMATION
TOP SECRETPage 31 of 95 pages

~~TOP SECRET~~
SECURITY INFORMATION

December 19, 1951

During the Congressional debates on Greek and Turkish aid, and in authorizing legislation, it was evident that this American aid was considered as a limited counter to an immediate Russian threat rather than a fundamental change of policy toward Russia and our desired postwar world. It was expected that when they realized that America would oppose unlimited Communist expansion the Russian leaders would drop their aggressive demeanor and cooperate in the organization of a peaceful world. While Congress debated aid to Greece and Turkey, and the departments initiated the necessary military and economic aid programs, Western Europe's economy was rapidly deteriorating.

France and Italy were undergoing severe economic strain as a normal consequence of long German occupation and the postwar inflation. Economic dislocation and Communist-inspired labor unrest threatened France with a political crisis during which the Communist minority might gain control. Economic crises in France and Italy threatened England's stability and a depression throughout Europe. Americans were aware of these foreign economic issues and their relationship to our own economic welfare. However the main American concern was that Europe's collapse increased the possibility of Communist domination of Western Europe. In this crisis the State Department proposed large-scale American economic aid to Western Europe to improve financial and manufacturing conditions, to alleviate the threatened unemployment and labor discontent and thereby counter Communist-inspired unrest. The formal promulgation of the proposed economic aid was made by Secretary of State Marshall in his commencement

13/(contd)

by no means limited to holding the line and hoping for the best. It is entirely possible for the United States to influence by its actions the internal development, both within Russia and throughout the international communist movement". Facts and news and the resultant pressure of world public opinion were then conceived as the major instruments of influencing Russian and world opinion.

SECURITY INFORMATION
TOP SECRET

Page 32 of 95 pages

~~TOP SECRET~~
SECURITY INFORMATION

December 19, 1951

address at Harvard, 5 June 1947.

In one paragraph Marshall suggested that America would provide economic recovery funds to these European states who were willing to cooperatively plan and implement a continental economic program. Marshall's Plan for European recovery was heralded in the American and European press. The original Marshall Plan was not limited to non-Communist countries but included all European countries who would pool their economic potentials for the common good of all Europe. Russia and its Satellites attended the Paris meeting to develop the Committees for European Economic Cooperation (CEECE). Subsequently the Russians withdrew from the CEECE and their Satellites followed. It was Russian opposition which gave the Marshall Plan the character of another positive American step to counter Russian expansion, this time through economic aid. Marshall's policy declaration initiated extended negotiations in Washington and in Europe to prepare the plans so that Congress would approve and authorize the European Recovery Program (ERP). The Economic Cooperation Administration (ECA) was established by Congress in April 1948 to direct American participation in ERP. Russian policy towards America meanwhile crystallized into an officially peaceful but actually hostile attitude. Communist policy militantly opposed the Marshall Plan as American imperialistic domination of European economy. To destroy ERP the Russians in 1947 organized the Communist parties in its satellite areas, and even those in the Western countries, into the Cominform. 14/

14/ Communist Information Bureau (Sep 47) Pravda (5 Oct 47). Studies of the Russian motives for the establishment of the Cominform suggest that its purpose was to accomplish the acceptance of a single communist party line by all the independent Communist parties in Europe without irritatingly and openly identifying it with the Kremlin policy. The cominform would be a front by which Kremlin policy was given the appearance of being freely adopted by the representatives of all Communist parties acting on a free and equal basis. CIA Studies on the Cominform.

SECURITY INFORMATIONTOP SECRETPage 33 of 95 pages

TOP SECRET
SECURITY INFORMATION

December 19, 1951

The Cominform's militant agitation against the Marshall Plan rapidly passed beyond strict information activities into actions. The Communist apparatus, particularly in France and Italy, flexed its muscles, preparatory to a full-fledged test of strength in the elections in 1948. The Communist-dominated trade unions in France and Italy increased agitation and strikes to dislocate economic life and prevent these unstable governments from joining ERP agreements. Communist opposition to the Marshall Plan worried American policy makers and great efforts were made to present the Marshall Plan as a cooperative European-American enterprise. The critical situation, while Congress debated and legislated, awakened American officials to the necessity of our overseas information program presenting a uniform viewpoint. Whether it was issued by the Voice of America, by local USIS, by the Armed Forces Radio Service, or by American private and commercial outlets, America's story had to be uniform or Communist propaganda would exploit the differences. This background explains two important developments in American psychological operations which occurred at the end of 1947.

A paper requesting that the government's foreign information measures be strengthened and coordinated was presented at the first substantive meeting of the National Security Council (NSC) in early December. State Department presented a SANACC proposal which emphasized that government information could influence foreign attitudes directly by explaining American objectives and countering anti-American propaganda. To strengthen the information program, NSC approved, and the President directed, that the Secretary of State be charged with formulating the information policies and that he implement them through his department and that he would coordinate all other government overseas information so that it was in conformity with

SECURITY INFORMATION
TOP SECRET

Page 34 of 95 pages

TOP SECRET
SECURITY INFORMATION

December 19, 1951

that developed policy. The Assistant Secretary of State for Public Affairs would be assigned these responsibilities under the Secretary. He would be assisted by an informal group of representatives from the government agencies having foreign information activities. The Assistant Secretary would determine the most effective utilization of all information facilities, and develop interdepartmental plans and programs, so that foreign opinion would be influenced in a direction favorable to United States interests. This decision, NSC-4, was the first direct action to improve postwar foreign information service.^{15/}

This early NSC paper on overt psychological operations represented a year and a half's study by an interdepartmental committee on psychological warfare. This special planning committee had been established in the State, War and Navy Coordinating Committee (SWNCC/later SANACC) after the Assistant Secretary of the Navy in June 1946 had suggested its need. SWNCC appointed an ad hoc committee representing State, War and Navy Departments. This group was directed to review World War II psychological warfare, to recommend a peacetime organization to keep it in a "ready for mobilization" status, and to prepare proposals for its wartime organization. This ad hoc group prepared a long report recommending the establishment of a permanent SWNCC subcommittee on psychological warfare to develop policies, plans and studies for its use "in time of war or threat of war as determined by the President". It suggested that this subcommittee would be chaired by State's representative and consist of a representative from Central Intelligence Group, two War Department officers (representing the Army and the Air Force) and a Navy representative. This proposed subcommittee

^{15/} (C) NSC-4, Memo, NSC Exec Sec to NSC, "Coordination of Foreign Information Measures", 19 December 1947.

SECURITY INFORMATION
TOP SECRET

Page 35 of 95 pages

TOP SECRET
SECURITY INFORMATION

December 19, 1951

would study and prepare effective psychological warfare plans containing organizational patterns and basic policy assumptions and decisions as well as the personnel, the man-hour and logistic requirements for a national psychological warfare effort during wartime. These plans prepared by SWNCC would be sent to JCS and the National Intelligence Authority for concurrence. The SWNCC Subcommittee was authorized to plan, guide, coordinate, and execute the American psychological wartime effort until a national organization was established. With relatively minor changes the proposal for a permanent psychological warfare subcommittee under SWNCC was approved on 30 April 1947. Although it changed its name to SWNCC Special Studies and Evaluations Committee, which was merely a cover name, this body presented the first postwar document on psychological warfare ^{16/}

This SWNCC Subcommittee provides one line of continuity for the postwar revival of interest in psychological warfare. It was the activity of this Subcommittee that eventually came to the attention of the National Security Council and which led to the series of NSC papers on psychological warfare planning. This first SWNCC paper on psychological warfare established several definite patterns which became unalterable departmental traditions. In attempting to delimit the concern of the different departments, this paper invented the unfortunate three-fold time blocks for psychological warfare: during peacetime, in time of war, "or threat of war as determined by the President". These three time divisions were subsequently repeated

^{16/} (S) SWNCC 304/1, "Psychological Warfare", 10 December 1946; (S) SANACC 304/15, "History of the Activities of the Subcommittee on Special Studies and Evaluations", June 1948. With the establishment of the Air Force as an independent service and department in the National Military Establishment under the National Security Act of 1947, SWNCC's title changed to SANACC (State, Army, Navy, Air Coordinating Committee).

SECURITY INFORMATION
TOP SECRET

Page 36 of 95 pages

TOP SECRET
SECURITY INFORMATION

December 19, 1951

in every major paper on psychological warfare organization and raised unnecessary organizational conflicts because they involved the pre-eminence of the different Departments' responsibility for each period. The Subcommittee assumed that in peacetime, psychological warfare or more properly, the information program, was pre-eminently a State Department responsibility for planning, execution and coordination. During the threat of war or national emergency, the State Department still had primary concern for planning but had to coordinate its policy and operations with the armed services. In wartime State retained primary policy interest, but the responsibilities of the armed services increased as psychological warfare more closely supported and contributed to military policy.

In another area this original paper set an important precedent. It provided that psychological warfare in actual or projected military theatres of operations was the responsibility of the theatre commanders. Directives, guidances and communications to the theatre commanders regarding psychological warfare could only be forwarded through JCS channels. The SWNCC Subcommittee also undertook the study of an organization for psychological warfare during wartime. It proposed

an independent agency directed by a Presidential appointee with fulltime representation from State Department, the armed forces, CIA, and if desired, from the Office of Censorship and the office responsible for domestic information. In these SWNCC studies the coordination of overt and covert psychological operations was for the first time seriously considered. In 1948, SWNCC was assuming that on the level of the national organization, plans for overt and covert activities would be coordinated in accordance with over-all psychological warfare plans.

SECURITY INFORMATION
TOP SECRET

Page 37 of 95 pages

TOP SECRET
SECURITY INFORMATION

December 19, 1951

Very little of the SWNCC Subcommittee's proposals on psychological warfare proved to be effective if one uses the criterion of acceptance as national or interdepartmental policy. While many of its papers were approved by SWNCC, some approved by the JCS and several forwarded to the NSC, these SWNCC papers were always overtaken by an agency paper or an NSC paper. Nevertheless the SWNCC Subcommittee on psychological warfare performed a valuable educational service. The departmental representatives on the Subcommittee had to present psychological problems to their departments for policy decisions. SWNCC papers had to be circulated among the departments, and even to the JCS for concurrence. In this way psychological warfare and its problems were forced on the attention of political and military planners who might have preferred to ignore the entire subject as outside their area of responsibility. Those papers which were accepted by SWNCC and forwarded to NSC, brought a reconsideration on a national level of psychological warfare. One example will suffice. The SWNCC Subcommittee proposed that a national organization for psychological warfare be established in the future. The JCS reaction urged its immediate establishment. This development led to an NSC decision that an interdepartmental group be set up in State Department to do such planning. 17/

Before the SWNCC Subcommittee did more than recommend a national psychological warfare organization for Wartime, the European crisis of 1947 forced American policy makers to reconsider the idealistic American approach towards international informational work. Mention

17/ (S) SANACC 304/15, SWNCC 304/6 (January 1948); JCS 1735/L
"Report by a Joint Strategic Plans Committee on Report on Psychological Warfare from SANACC", 16 March 1948; (TS) NSC 43, "Planning for Wartime Conduct of Overt Psychological Warfare", 9 March 1949.

SECURITY INFORMATION
TOP SECRET

Page 38 of 95 pages

TOP SECRET
SECURITY INFORMATION

December 19, 1951

has already been made of the open and avowed ideological attacks against the Marshall Plan by the Communists. Communist press and radio efforts were only one part of their European campaign. They realized that mere words were not enough, and the field of labor activities was chosen for additional Communist pressure. Controlling the major French labor unions, the Communists called throttling strikes in the coal and transportation fields to prevent government cooperation in the European Recovery Program (ERP). While these strikes might have wrecked French economic life and the ERP, the Kremlin would gain power and yet avoid any appearance of USSR meddling in French internal problems. The strikes were internal domestic concerns with which neither Russia nor the United States should interfere. If the strikes succeeded in eliminating France from ERP, however, American objectives would be defeated. Russian prestige and influence would proportionately increase in Western Europe.

American policy makers were enormously concerned about these Communist tactics. America could not formally and openly interfere in the French labor question. Pressure might be put on the French Government but the United States could not formally influence the labor leaders of France. American officials, however, could not allow

25X1

SECURITY INFORMATION
TOP SECRET

Page 39 of 95 pages

TOP SECRET
SECURITY INFORMATION

December 19, 1951

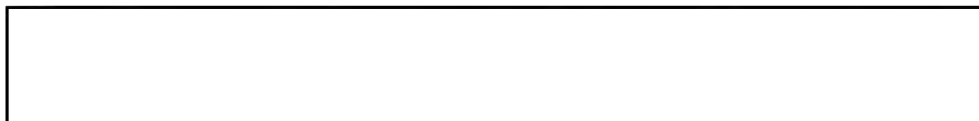
25X1



France was not the only area of Communist instigated crises in 1947-1948. Italy provided an equally fruitful field for Communist subversion. Communist success in Italy would increase Communist power in the vital Mediterranean area. The wartime Allies had just ratified the Treaty of Peace with Italy and a new Italian Government was to be elected in April, 1948, the first freely elected government of the new democratic Italy. Italy's economy was weakened by widespread unemployment and severe scarcities. The ravages of war and the lack of machinery had reduced its farming population to the 1910 level. Widespread Italian dissatisfaction, if exploited, might enable Italian Communists through threats, bribery, cajolery, and "pie in the sky" promises, to gain the election of sufficient Communist representation in the legislature to keep Italy out of the Marshall Plan and bring it within the Iron Curtain.

State Department planners were agreed that action had to be taken so that the Communist efforts would not swing the Italian election to the Communists. A second NSC paper was developed out of the SAMACC paper presented by the State Department in December 1947, advising the

25X1



SECURITY INFORMATION
TOP SECRET

Page 40 of 95 pages

TOP SECRET
SECURITY INFORMATION

December 19, 1951

NSC that the USSR and the Communists were using covert operations to discredit and defeat American objectives. The United States, to insure world peace and national security, would now have to supplement its overt information activities with covert operations. This significant policy paper, NSC-4-A, was officially approved by the NSC, and it directed the Director of Central Intelligence (DCI) to undertake covert activity. This paper, at the first substantive meeting of NSC, is the first authorization for American covert activities. ^{19/}

25X1

SECURITY INFORMATION
TOP SECRET

Page 41 of 95 pages

TOP SECRET
SECURITY INFORMATION

December 19, 1951

25X1

In March, 1948, State Department's Voice of America beamed an extensive information program to Italy. As the official instrument of the Government, VOA attempted to make clear the "intensity of the American interests in Italians' welfare...without providing grounds for the charge that the United States is interfering unduly". It was recommended to the VOA operators that news and commentaries should clearly present the American point of view to the Italians and to all Europeans. Free elections would show whether the Italians desired a free government or wanted to be subject to the Moscow dictatorship. America would have to determine its action after the Italians had made their choice. Without implying that America would shut off aid to a Communist Italy, the VOA should emphasize that Moscow had not permitted any of its Satellites to participate in ERP or to receive its benefits. The Italians would be reminded of "the unequivocal assurances of the effective United States support for the free nations of Western Europe". President Truman had promised aid to all democratic people, and Congress had implemented the promise in the Greek and Turkish aid program. While the VOA would stick to news reporting, it would emphasize to the Italians that all previous working agreements or political compromises with Communists had always resulted in disaster and eventual Communist domination. The Balkan countries and the recent coup in Czechoslovakia were to be

SECURITY INFORMATION
TOP SECRET

Page 42 of 95 pages

TOP SECRET
SECURITY INFORMATION

December 19, 1951

constantly repeated as warning examples of appeasement's danger. 20/

These antagonistic relations between the Communists and the West, under American leadership, intensified the existent Cold War, until now an unadmitted reality. Communist seizure of control in Czechoslovakia in February 1948 and the pressures on Berlin, emphasized to American leaders that traditional American diplomacy was insufficient to check the Russians. Communist successes in propaganda, political blackmail and secret operations increased the cynical despair engulfing Western Europe and endangered the purposes of the Marshall Plan. Western Europe might easily fall prey to the Kremlin unless America could reverse the trend. The United States could not officially and openly match Russian action. Hence covert activity, which could not be attributed to the United States, did offer the means to match the Russians. The revived interest in covert operations in early 1948 developed concurrently among the planners in both State and Defense. However, completely divergent and irreconcilable views on the American position towards the USSR complicated their discussions of covert operations within American policy.

The State Department was committed to the "policy of containment", maintaining that war was neither desirable nor inevitable. State planners visualized covert operations as actions short of war, to weaken the Communist position of power and to strengthen the prestige of the Western Powers. Defense accepted the existing policy that America desired peace, but it also had to consider war with the USSR as the major assumption of the military planners. Covert operations were, therefore, seen by the military as mere preliminaries to, and

20/ (C) Office of Information and Education Exchange, Dept. of State, "Special Guidance; Elections in Italy," 19 March 1948. Dr. Laurence Langer, "The Magic Curtain," and telephone interview, 12 Nov 51. Discussions with Mr. Lovett, 24 April 52.

SECURITY INFORMATION
TOP SECRET

Page 43 of 95 pages

TOP SECRET
SECURITY INFORMATION

December 19, 1951

preparations for, an eventual war. State was interested in covert operations such as rumor-spreading, bribery, the organization of non-Communist fronts, and other non-war related activities. Covert operations to Defense mainly meant evacuation, evasion or escape of leaders important to an Allied war effort, the organization of guerrilla movements convertible into underground armies as the war started, and the preparation of sabotage and assassination for war-time implementation. These ideas and divergencies about covert activities in peacetime were not written into the papers and frequently were not understood by the participants in their discussions. State and Defense could agree, however, that covert operations should be started immediately. They also could agree on the organizational pattern to get such operations under way. Hence it was that the necessary NSC staff studies and decisions could be prepared and taken without mention of these important department divergencies.^{21/}

After the Italian elections had provided a clear victory for the West and a temporary setback for Communism, the State Department prepared the basic paper which proposed a permanent organization to perform covert activities. At the end of April, 1948, the State Department, acknowledging the importance of covert activity to supplement overt American policy, proposed that a Director of Special Studies, nominated by the Secretary of State, and appointed by the NSC, together with a planning staff, should be established under the NSC. This Director, under the NSC, would develop plans for covert operations, provide for their execution by existing government agencies, and review

^{21/} Telephone conversation with George Kennan (formerly Chief of State's Policy Planning Staff) 23 November 1951. Mr. James Lay, Exec. Secy. of NSC, disagrees with the view that the NSC Senior Staff did not understand the different viewpoints.

SECURITY INFORMATION
TOP SECRET

Page 44 of 95 pages

TOP SECRET
SECURITY INFORMATION

December 19, 1951

the entire program as it was in process of execution. He would also develop a personnel training program and a catalog of the special supplies and logistic support required for such covert activities.^{22/} The NSC paper was circulated to the interested Departments and to the JCS. In JCS there were differing points of view which delayed JCS action. One group in JCS felt that the proposed organization was satisfactory so long as the NSC action did not prejudice a review of covert operations during a national emergency. The other view within the JCS emphasized that certain features of the NSC proposal infringed on JCS prerogatives related to training programs and plans for wartime covert activity. This view also emphasized that covert operations should not be limited to CIA since the military services could perform many such activities.

While the JCS was making up its mind, the Director of CIA forwarded a proposal to the NSC which attempted to reconcile the State and JCS views. He emphasized the difference in the responsible control of covert operations in time of peace and in time of war. DCI proposed that the paper be amended so that covert operations during peace would be placed under CIA with high level policy guidance from the State Department. In wartime, covert planning would be developed by a combined committee of JCS and CIA and covert operations would be transferred to JCS' control. Meanwhile the JCS resolved its differences; covert planning and operations in wartime should be under the JCS since the planning and personnel training for wartime activities was a military responsibility. Receiving the JCS comments and DCI's suggestions, the NSC staff in June developed a revised draft which was approved with a few amendments by the NSC and adopted as

^{22/} (TS) NSC 10, "Director of Special Studies", 12 May 1948.

SECURITY INFORMATION
TOP SECRET

Page 45 of 95 pages

TOP SECRET
SECURITY INFORMATION

December 19, 1951

the directive and charter for American covert operations. Since CIA was responsible under the NSC for espionage, the staff paper proposed that covert activities in peacetime should also be placed within CIA. A separate Office of Special Projects would be established under the Director of CIA, headed by an individual nominated by the Secretary of State, approved by DCI and appointed by the NSC itself. The staff draft provided for an operational advisory committee consisting of representatives of the Secretaries of State and of Defense.

These liaison representatives would supply full policy guidance on covert projects and would assist in preparing all plans. Any disagreement between the DCI and the departmental liaison officers should be referred to NSC. This organization would study and develop plans for NSC consideration regarding the necessary collaboration with the JCS for covert operations in wartime. ^{23/}

The staff paper on the Office of Special Projects was accepted by the NSC at its 13th meeting (17 June 1948). However, two major amendments were made by the NSC. The policy advisory committee representing the Secretaries of State and Defense would have been practically an independent policy-making body controlling the activities of the Office of Special Projects. The NSC eliminated this paragraph and made it a duty of the Director of CIA to insure that covert operations were planned and conducted in a manner consistent with American foreign and military policy. In this process DCI was to use the above-mentioned representatives of the Secretaries of State and Defense. The NSC change had the effect of making the State and Defense liaison with the Office of Special Projects subordinate to the position of the Director of CIA. The other major change

23/(TS) NSC 10/1, "Office of Special Projects," 15 June 1948.

SECURITY INFORMATION
TOP SECRET

Page 46 of 95 pages

TOP SECRET
SECURITY INFORMATION

December 19, 1951

resulted in the adoption of the JCS' position on covert operations in wartime. The NSC staff proposal had provided that the Office of Special Projects would conduct wartime covert planning and operations in collaboration with the JCS. The NSC amended this paragraph, the famous paragraph 4, so that plans for wartime covert operations had to be coordinated with the JCS. Wartime covert operations would be conducted under the control of American theatre commanders who would receive their directives on covert operations through the JCS "unless otherwise directed by the President". Here the NSC again changed the emphasis by providing that all plans for covert operations in times of war had to be coordinated by the JCS. This paper, NSC 10/2, has been the charter for American covert operations which fundamentally altered postwar thinking regarding psychological operations. NSC-4-A was cancelled when NSC approved 10/2. NSC-4-A had never become sufficiently well-known or influential. Hence, the tradition that American policy first accepted covert operations as a major instrument in June 1948 is basically correct, although not completely accurate. 24/ -

The NSC decided that American policy would be implemented by covert operations. The actual development of covert operations, however, was a time-consuming activity. A director of the Office of Special Projects had to be satisfactory to State, CIA and Defense, if an NSC appointment was to be assured. It would seem that Secretary of Defense Forrestal and Mr. Lovett, Under Secretary of State, considered the Office of Special Projects as their personal concern. They obtained a director on the understanding that he would be given sufficient time to study the complications of covert operations, to secure and train the technically skilled personnel required, and to organize methods of operation,

24/ (TS) NSC 10/2, "Office of Special Projects", 18 June 1948

SECURITY INFORMATION
TOP SECRET

Page 47 of 95 pages

TOP SECRET
SECURITY INFORMATION

December 19, 1951

or to use the technical jargon, develop his apparatus. There were several significant features in the development of the Office of Special Projects which influenced its early operations. 1948 was a critical year and the Director of the Office of Special Projects had no time for contemplative study. He had hardly secured his major assistants and the departmental policy advisers when he was asked to undertake urgent operational duties.

The Office of Special Projects (which became the Office of Policy Coordination, will hereinafter be identified as OPC) started in a difficult administrative position. OPC was in CIA administratively and with a strict reading of NSC 10/2, the Director of CIA would have control over its policy and operations. When it commenced to operate, however, because of the personalities involved, because OPC received instructions and guidance directly from the Secretaries of State and Defense, and because of the special sensitivity of its operations, there was a general agreement among the officials involved that OPC should be a separate and independent entity within CIA. Independence even went so far that OPC's intelligence requests were handled by CIA as requests of a separate agency. OPC, on its part, was reluctant to tell the intelligence side of CIA about its operations even though the DCI had been given the responsibility of policy coordination and of appealing to NSC if policy disagreements arose. The practice developed, however, that the departmental policy representatives only consulted with OPC, and the DCI was initially left out of covert planning. This procedure initially gave OPC a relatively greater freedom of action, but removed the single responsible authority who could decide if a particular covert operation was in accord with American policy. When Lieut. Gen. W. B. Smith became DCI, he brought OPC directly under his authority.

SECURITY INFORMATION
TOP SECRET

Page 48 of 95 pages

TOP SECRET
SECURITY INFORMATION

December 19, 1951

As the international situation increased the opportunities for covert operations, and after its original godparents, Forrestal and Lovett, left the government, OPC found itself in the questionable position of judging whether its own operations even when desired or approved by the departmental liaison officers actually were in accord with any planned national strategy. American objectives with respect to the USSR had been formulated by the NSC in NSC 20/4 (November 1948) but these objectives were general and vague objectives. Such national aims afforded covert activities many opportunities, but their vagueness left many uncertainties on which the operational planner wanted official answers. OPC's position became more unsatisfactory when the departmental policy representatives presented projects on a piecemeal basis and OPC had no time for long-range planning and preparation of its needs. OPC continued to develop and to operate, but it was restrained by personnel training and technical uncertainties until the Korean war revitalized other agencies' interests in covert activities.^{25/}

While the NSC was establishing covert operations as an integral instrument of the national policy, State Department was acting to develop greater coordination of the current foreign information program under NSC-4. A fulltime interdepartmental staff had been provided the Assistant Secretary of State for Public Affairs by NSC-4 to develop the adequate coordination of the government's foreign information program. It was three months after NSC-4's approval that State Department appointed its chairman of the Interdepartmental Coordination Staff (ICS). The Air Force and CIA sent their members in April; the Army arrived in early May, but the ICS did not become complete until June 1st when the Navy representative reported.^{26/}

^{25/} E. P. Lilly interview with appropriate CIA representative; with John Magruder (Defense), Robert Joyce (State) and Sydney Souers (then HSC).
^{26/} (C) NSC-4, "Coordination Foreign Information Measures", 9 Dec 47; (S) ICS to Asst. Sec/State, "Annual Rpt of Interdepartmental Coordinating Staff", 31 Dec 48.

SECURITY INFORMATION
TOP SECRET

Page 49 of 95 pages

TOP SECRET
SECURITY INFORMATION

December 19, 1951

In addition to a half year's lateness, the ICS was temporarily hampered by the uncertainty of its responsibilities. Like the SWNCC Subcommittee on Psychological Warfare, ICS commenced as an exploratory and investigative group. An interdepartmental directive was developed by the Staff, subsequently approved by the Assistant Secretary of State for Public Affairs and issued to the three service Secretaries in the National Military Establishment and to the Director of CIA. The directive was not of shattering significance. It officially reminded all military and political departments that the President had authorized the Secretary of State to insure the coordination of the many foreign information outlets so that a unified and consistent American program would be presented for foreign consumption. This directive went through the department channels to the theatre commanders and diplomatic missions overseas so that all American representatives were officially made aware that informational activities were a part of national policy. Whether it was State's information outlet, or the military's AFPS or their Information and Educational Program, the same over-all picture should be presented.

The ICS provided a continuous mechanism to keep State aware of the military's information policy and to notify the military of major changes in State's presentation. When the State Department desired special assistance from the armed forces information outlets, ICS could arrange the timing. ICS had no control over policy matters. Its potential position as a policy coordinator was weakened by the fact that the information program of State did not have any adequate planning staff, and it was not consulted by the political policy planners prior to the policy decisions. The Assistant Secretary of State for Public Affairs was presented with a fiat accompli

SECURITY INFORMATION
TOP SECRET

Page 50 of 95 pages

TOP SECRET
SECURITY INFORMATION

December 19, 1951

and expected to make the best possible presentation. This was doing the information work in a vacuum. Nevertheless the ICS did improve American operations in the foreign information field, particularly in developing necessary rapid liaison between State and the three military services. The ICS prepared and supervised the execution of interdepartmental plans to insure that the American story of the Berlin blockade and Airlift was adequately presented by all government-controlled media. Similarly, the Yugoslav crisis and the Finnish elections were items on which the ICS successfully manipulated interdepartmental interests so that American government outlets presented a coordinated, even if not identical, series of reports and bulletins.^{27/}

During 1948, important developments on the national level increased the emphasis on psychological operations. The European Recovery Program (ERP) was legislatively authorized by Congress and an independent agency, the Economic Cooperation Administration (ECA), was established to carry out American economic policy under State Department guidance. Congress explicitly authorized ECA to maintain a European information program to insure that Europeans would be aware of America's interest in, and contribution to, their recovery. This Congressional decision on information work was a direct result of the numerous Congressional junkets to Europe in late 1947. The Congressmen had been intentionally made aware of the extent of European ignorance regarding America, its purpose and objectives. The important role played by Communist propaganda in perpetuating these misconceptions was made clear. The limitations on the American

^{27/} (TS) Memo, Lt. Col. Wm. H. Kinard to Chief of Information D.A., "Psychological Strategy", 3 September 1948; (S) ICS to Asst. Sec/State, "Annual Report of the Interdepartmental Coordinating Staff", 31 December 1948.

SECURITY INFORMATION
TOP SECRET

Page 51 of 95 pages

TOP SECRET
SECURITY INFORMATION

December 19, 1951

information program in combatting these errors became evident to the Congressmen. Hence in 1948, Congress gave verbal and legislative support to the psychological effort. Most importantly Congress increased the appropriations for information work and promised more in succeeding years. It enacted the Smith-Mundt Act which for the first time gave a statutory basis for State's information program.^{28/} This Act gave the State Department a legal basis for its previously traditional claim that information policy determination was the prerogative of the Secretary of State. Other agencies had never denied this position for peacetime activities but had attempted by interpretation to restrict State's prerogatives in time of emergency or during war. Now Congress had validated State's position and subsequent interdepartmental discussions on information and psychological warfare programs were prejudiced by State's interpretation of the Smith-Mundt Act.

The specific informational objectives mentioned in the ECA Act was another recognition by Congress that the influencing of foreign opinion and attitudes was important to American policy.

The formulation of an informational policy in ECA's overseas activities is most difficult to trace because of that agency's double decentralization. ECA's Washington office was mainly a central point to service its independent counterpart, the Office of Special Representative (OSR) in Paris. The ECA offices in the ERP countries were basically autonomous, with only vague relationships to OSR and ECA-Washington for centralized bookkeeping. At each local ECA office there was an information officer, responsible to the local ECA Chief of Mission under general guidances from the Information Section of OSR in Paris. Each local

^{28/} "United States Information and Educational Exchange Act of 1948" (approved 27 Jan 1948) (Public Law 402, 80th Cong., 2nd Session)

SECURITY INFORMATION
TOP SECRET

Page 52 of 95 pages

TOP SECRET
SECURITY INFORMATION

December 19, 1951

information officer was expected to exploit the locally available media. American information or locally produced pro-American news was to be spread locally to insure that proper recognition was given to local recovery projects as a part of America's over-all effort to help Europe and to keep it free. Certain individuals in ECA's CSR in Paris had discussed covert information to supplement ECA's overt presentation of the American position, but in its first year ECA's information program was based on the old journalistic principle that only straight news was needed to keep the Europeans informed. ECA emphasized news releases, fostered local publicity for ECA-sponsored projects, and whipped up local interest for the American objectives on ERP.

ECA and the State Department developed unwritten understandings whereby ECA's material was incorporated into State's VOA programs and overseas news files. In each ERP country, the local ECA information man and the USIS Chief at the Embassy informally discussed and agreed on their respective fields and how each would supplement the other's activities. The relations between ECA and State Information people were in the main, satisfactory and cooperative. Since ECA paid higher salaries, it often secured uninhibited and energetic operators who right "free wheel" informationally and irritate State's local representatives. The USIS Chiefs were limited in their information work to materials approvable by the Ambassador. ECA operators, relatively independent of the Ambassador, unaware of the need or the desirability of clearing with Foreign Service Officers, and, desiring rapid and tangible results, carried out information programs at times which were unapproved and thereby caused bad feelings.

ECA and its information campaign was, however, only one aspect of the Cold War. The Berlin Airlift to supply West Berlin and so checkmate the Russian blockade was a psychological effort as well as

SECURITY INFORMATION
TOP SECRET

Page 53 of 95 pages

TOP SECRET
SECURITY INFORMATION

December 19, 1951

an economic and political one. During this period, NSC re-studied the international positions and objectives of Russia and the United States. The Russians were using all possible methods and tricks to weaken American prestige in Europe. American security was thereby threatened. The danger of the power struggle turning into a fighting war was recognized. To counter this Russian threat, NSC had to develop American objectives toward the USSR, which would over the years lessen the danger of war while reducing Russian power so that it could not threaten world and American security. NSC determined that this national policy would be pursued by all means short of war. The Satellites would be encouraged to emerge as independent countries. The attitudes of the Russian peoples and the spirit of nationalism within the USSR would be main targets for American action and influence. America should inform the world of the true nature of the USSR and convince it that the USSR threatened world peace. To accomplish these aims, America would develop a position of military readiness, increase its economic reserves, and help all non-Soviet peoples to improve their conditions, while it kept the world and the American people thoroughly informed of the developing situations. ^{29/} These American objectives mark a fundamental change in American policy. Unlike policy decisions of 1947, NSC 20/4 recognized the long-term Russian threat which had to be countered by long-term American policies. Peace and international good will were no longer "just around the corner". NSC 20/4 was equally important because of the emphasis and importance which it put on psychological operations as a means

^{29/} (TS) NSC 20/4, "Report to the President. United States objectives with Respect to the USSR to Counter Soviet Threats to United States Security"; 23 November 1948. The President approved these objectives 24 November 1948.

SECURITY INFORMATION
TOP SECRETPage 54 of 95 pages

TOP SECRET
SECURITY INFORMATION

December 19, 1951

of implementing national policy in peacetime. Political, military and economic actions to foster national policy were well recognized. NSC 20/4 recognized the contribution of all these and then emphasized the information and the opinion-influencing activities additionally required to accomplish America's objectives. This paper did not use the words: overt, covert, or psychological operations. It is evident, however, that such activity was visualized even if vaguely. State and OPC were not empire building when they recognized this policy as calling for great increases in their respective overt and covert activities. It took time, however, to transform NSC's lofty and generalized statements into operational plans, coordinated with the military, economic and political planning under NSC 20/4.

An early evidence of this firmer policy towards the USSR was the American initiation of the North Atlantic Treaty whereby the United States and Western Europe agreed to cooperatively plan and develop mutual defenses against aggression. America's formal participation in a Grand Alliance required that American and European attitudes and reactions be carefully nurtured to support this new policy trend. Psychological considerations were significantly important in the development, the announcement, and the ratification of the North Atlantic Treaty. However, it was the increasingly tense international situation which focused greater attention on the need for a psychological warfare organization to plan its wartime usage.

As early as January 1948 the old SMNCC but now SANACC Subcommittee on psychological warfare had proposed a small organization for wartime planning be set up under the NSC. The Subcommittee suggested that the actual agency, while it should be approved in principle, need not be organized immediately. The JCS recommended that the proposed organization be established immediately as a planning nucleus without any

SECURITY INFORMATION
TOP SECRET

Page 55 of 95 pages

TOP SECRET
SECURITY INFORMATION

December 19, 1951

operational responsibilities. The whole discussion was temporarily delayed while the NSC was making its decision on covert operations. In this period State and Defense began their long disagreement on whether the proposed nucleus for wartime psychological planning should be under the NSC, or under State Department control with military coordination. These discussions were fruitlessly protracted for months until in early 1949, an NSC staff paper was developed with the cooperation of all the interested Departments.

The NSC staff proposed that there be immediately established a small organization in the State Department

to plan and make preparations for the coordinated conduct of foreign and domestic information programs and overt psychological operations abroad in the event of war or threat of war as determined by the President.

The Director of the organization would be appointed by the Secretary of State. The director would be assisted by a group of "policy consultants" representing the Secretaries of State, Defense, JCS and the National Security Resources Board (NSRB). A full time staff of representatives from the Department of State and the National Military Establishment would do the preliminary drafting. The paper directed that plans for information activities and "overt psychological operations" in the initial stages of war should be given highest priority. The paper explicitly directed that the SANACC Subcommittee on psychological warfare be discontinued. This recommendation was approved by the National Security Council and the President with the recommendations that the desired preliminary plan be produced within

SECURITY INFORMATION
TOP SECRET

Page 56 of 95 pages

TOP SECRET
SECURITY INFORMATION

December 19, 1951

90 days 20/

This new organization did not come up with a proposal in the suggested 90 days. It took time to organize the consultants into the Interdepartmental Foreign Information Organization (IFIO) and the departmental representatives into the staff (IFIS). Even a longer time was required to reconcile the divergent views of the departments and develop a modus operandi which permitted discussion. In early August, however, the Secretary of State sent a report to the NSC which had been prepared, but not approved, by IFIS on the "General Principles Covering Overt Psychological Warfare in the Initial Stages of War". Primarily a State Department paper, this proposal assumed that the President during an emergency would quickly take control of psychological warfare and that policy determination would be the responsibility of the Secretary of State who would insure the coordination of overt psychological planning with the National Military Establishment. This report proposed that overt and covert psychological warfare, censorship and domestic information should all be coordinated at the national policy level. Finally State requested that the planning of domestic information should not be combined with wartime psychological planning. Defense, in the name of the Secretary, but actually representing the views of JCS, disagreed with certain basic premises of the State Department. They suggested terminological changes and a specific requirement for the coordination of psychological plans with joint war plans. The necessity of JCS approval for such plans was explicitly

30/ (S) SUNCC 304/6, "Report on Psychological Warfare," 9 Jan 48;
 (S) JCS 1735/4, "Report on Psychological Warfare," 5 Apr 48;
 (S) SANACC 304/12, "Psychological Warfare Organization," 7 Apr 48;
 (TS) NSC 43, "Planning for Wartime Conduct Overt Psychological Warfare," 9 Mar 49. This seems to be the first mention of "psychological operations" in an NSC paper but there is no evidence that it had any special significance.

SECURITY INFORMATION
TOP SECRETPage 57 of 95 pages

TOP SECRET
SECURITY INFORMATION

December 19, 1951

mentioned in the Defense Department's revision. Defense also suggested that the Coordinating Staff under NSC-4 and the Planning Staff under NSC-43 should be combined into one group which should both plan and coordinate. ^{31/} Defense's recommendations were accepted by the NSC and the planning organization under the Secretary of State was directed to continue its planning activities for a psychological organization in time of peace.

While the reconstituted IPIS under the aegis and influence of State Department was fulfilling its responsibilities for the improved coordination of the foreign information program and the development of psychological plans, the military planners in the Joint Staff became bothered by the relationship of the JCS with the whole problem of psychological warfare. Before mid-1948 there was no single individual in the JCS responsible for the psychological aspect of national or military policy. Several individuals in the Joint Strategic Plans Group (JSPG), because of their wartime familiarity with psychological warfare, had called attention to the psychological factors in developing war plans. When the SWICC and SANACC papers on psychological warfare came to the JCS for their view, differing ad hoc groups in JSPG were organized. This procedure, like JCS's wartime practice, provided no continuity of JCS attitude, and expert knowledge within JCS on psychological warfare could only be ephemeral and temporary. With the NSC-10 series, and the increased SANACC papers, the Joint Staff found its machinery ineffective.

In April 1948, as NSC-10 was considered, JSPG proposed that a psychological warfare subcommittee be established

to protect JCS interests in the multifarious aspects of psychological warfare, to coordinate the planning by

^{31/} (S) Memo, Sec./Def. to Exec. Sec., NSC, "General Principles... NSC-43/1," 7 September 1949.

SECURITY INFORMATION
TOP SECRET

Page 58 of 95 pages

TOP SECRET
SECURITY INFORMATION

December 19, 1951

the three military services for the use of psychological warfare in wartime and to develop psychological warfare plans in consonance with progressive strategic plans.

It was also emphasized that JCS's interests in psychological warfare had not been protected under the NSC-4 and 4-A series. The Secretary of Defense should request the NSC to amend its existing procedures so that the military planning responsibilities of JCS would be protected. Judging from results, the Joint Staff's sympathetic interests in psychological warfare was not extensive. In mid-July, when NSC-10/2 required it, the original proposal was partially accepted. A "Special Section" in JSPG was established to serve the policy and logistic demands which would arise under Defense's policy liaison with OPC in CIA. JSPG's Special Section would also do the staff work on all psychological papers requiring JSPG recommendation but it actually was not a responsible subcommittee of JSPG.^{32/}

The Special Section did not consider its position and capability within the Joint Staff sufficient to fulfill the psychological demands or responsibilities of the Department of Defense. It developed the proposal that a special psychological warfare section be established under the JCS, independent of the JSPG, to fulfill the JCS's responsibility not only for psychological policy formulation but more importantly for the coordination of inter-service readiness for psychological operations. Personnel selection and training, tables of organization, and research and development for psychological warfare could only be coordinated among the services on the JCS level. There was also a need for a central clearing house to insure that the services were properly and adequately providing for the necessary logistic support of psychological

^{32/} (TS) Draft Paper, "JCS Relationship to Psychological Warfare," 25 Apr 48; (TS) JSPG 806/6, "Psychological Warfare," 14 Jul 48

SECURITY INFORMATION
TOP SECRET

Page 59 of 95 pages

TOP SECRET
SECURITY INFORMATION

December 19, 1951

warfare in wartime. On the departmental working levels there was general acceptance of this proposed Armed Forces Psychological Warfare Organization under the JCS to plan, coordinate and implement the three services' psychological responsibilities. However, when the proposal was officially presented to the JSPG, each service filed numerous exceptions so that the original paper was never adopted. Only after a year of wrangling was an equivalent substitute recommended by the Joint Strategic Planners and approved by the JCS.

Back of these inter-service disagreements was the fact that only the Air Force by 1949 had developed a special staff section for psychological warfare which could develop considered service views regarding future organization, possible plans and policies, and detailed logistic requirements. Official circulars in the War and Navy Departments in January and June 1947 had declared each service's responsibility, and had assigned this responsibility to Plans and Operations in the Army, and to Deputy CNO for Readiness in the Navy. Neither service had taken additional steps to fulfill their wartime responsibilities. Neither service had completely ignored the subject since both the Army and Navy included brief treatment of psychological warfare in the curriculum of their intelligence schools and in training manuals. Within the Army Ground Forces a small psychological warfare unit had been established to develop doctrine, plans and logistic requirements for this activity within the Ground Forces. Each service apparently felt that psychological warfare, as a peacetime concern, was not sufficiently important to require continuous and detailed staff consideration. Each service maintained representatives on the SWNCC and SANACC Subcommittee on psychological warfare and subsequently on the Inter-departmental Coordinating Staff under NSC-4. While the background of

SECURITY INFORMATION
TOP SECRET

Page 60 of 95 pages

TOP SECRET
SECURITY INFORMATION

December 19, 1951

the new American objectives were under discussion during the latter part of 1948, the services had implicit warning that they would have to provide additional personnel to participate with State in informational and psychological planning. The services had not thought out or planned their respective psychological requirements. Hence they all agreed on postponing any inter-service agreement which might in the uncertainty give one service pre-eminence in this field or inadvertently freeze another out entirely. It was better not to act at all, as JCS did, on the proposal for an Armed Forces Psychological Warfare Organization. Hence in the military establishment, as in State and in CIA, the uncertainties about psychological warfare loomed large.

Uncertainties were the order of the day, but the increased stridency of Russian propaganda against the United States and the Marshall Plan, in particular, and increasing Communist subversion in Asia forced a total American reappraisal in NSC-20/4 of Russian threats to American security and American aims to end these threats. In the main, the psychological element was not directly emphasized in this reappraisal which took place on the higher levels of the departments and in NSC. In July 1948, however, the Secretary of Defense mentioned the need of coordinating internal and foreign policies of the government. He recommended that in the Executive Branch domestic issues and foreign policy should be closely coordinated with the international situation. He noted the possible foreign impact of the stories issued by government agencies and built up by the press, as for example, the great publicity given to the indictments and arrests of the Communist leaders as General Clay returned to discuss the Berlin situation, and as the nation announced its initial draft quotas. He emphasized that while Americans might not see any interrelation,

SECURITY INFORMATION
TOP SECRET

Page 61 of 95 pages

TOP SECRET
SECURITY INFORMATION

December 19, 1951

Communists would build these three items into convincing propaganda that America was preparing for war. The Secretary recommended

that we develop as rapidly as possible some means whereby domestic events of this kind are, whenever possible, weighed in light of the international situation at a given time. It is also important that in examining this problem weight be given to the need for synchronizing these actions with our foreign information program so that our policies will be purposefully supported in all possible ways.

He recommended that the NSC investigate this problem to prevent our domestic and foreign policies from working at cross-purposes. Although it was election year and the proposal had implications which the press might have characterized as censorship, NSC approved the principle. NSC recommended that the President advise his Cabinet that important domestic matters should be closely coordinated with international affairs. The President should also request that members of the Cabinet, when in any doubt of foreign repercussions to specific domestic events, should consult with the Secretary of State prior to taking any action. ^{23/}

The major policy change of 1948, however, resulted from the approval of NSC 20/4 (3 November 1948) which explicitly recognized Soviet threats to American security and proposed American objectives to counter those threats. The major policy change eventually accelerated America's interest in psychological warfare, but it was more immediately evidenced in the more traditional fields of political, military and economic activity. Undoubtedly people in information work in State Department and in OPC of CIA were germinating ideas, projects and programs. For example, OPC had been requested to plan

25X1

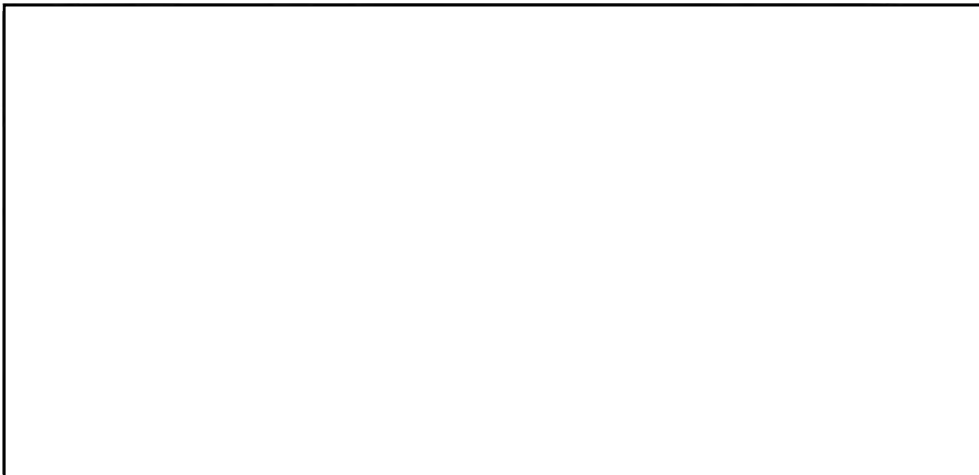
^{23/} (C) NSC-23, "Domestic Activities and Foreign Relations", 27 July 1948; (C) NSC-23/1, "Domestic Activities...", 5 August 1948

SECURITY INFORMATION
TOP SECRETPage 62 of 95 pages

TOP SECRET
SECURITY INFORMATION

December 19, 1951

25X1



During 1949 it would seem that America's major instruments of publicizing official opinion, namely the VOA and the USIS, continued programs presenting a full and fair picture of American aid to the world. Guidance regarding the Berlin Blockade and Airlift, and the break between Tito's Yugoslavia and the Cominform, undoubtedly required special treatment emphasizing the aspects favorable to the West and distasteful to the USSR. On the whole, however, VOA's program seems to have been posited on a peacetime basis until 1949. Then VOA underwent a slow change. A Russian specialist became its director. Programs in Russian were increased to a "round-the-clock" basis. The tone of the broadcasts was becoming more aggressive. While not answering the Russians, Russian lines were countered and efforts made to put the USSR on the defensive.

Simultaneously there was a reorientation of ECA's information program under OSR, Paris. The utility of covert activities to supplement the ECA's overt information programs had long been recognized but had not been developed until mid-1949. ECA's information program had been executed as a straight reporting job. It was premised on the supposition that if ECA handouts were sufficiently newsworthy and rapidly made available, the European media would give them

SECURITY INFORMATION
TOP SECRET

Page 63 of 95 pages

TOP SECRET
SECURITY INFORMATION

December 19, 1951

extensive play, and thereby develop European interest in ERP, in a European economic unification as well as the American contribution to these goals. ECA's information program prepared publications for special audiences such as labor, educational, religious and professional groups. While ECA ground out news and swamped European media with Marshall Plan information, the Cominform apparatus enjoyed greater success besmirching America's purposes. Gratitude is never a characteristic national virtue, and the European is not naive enough to believe that America would spend billions without ulterior motives. Hence the Communist publications, and particularly rumor influences on labor and progressive groups, succeeded in raising European doubts and suspicions about the ERP.

Since the Communists so effectively used covert information and other activities, it was only natural that the ECA people would seek to counter these Russian purposes by similar covert activities. It would seem that ECA initially employed covert measures not in the informational field but in the labor field. So long as labor unions in France and Italy were dominated by the Communists, economic security could not be permanent. If ECA could foster independent labor unions and attract the majority of French and Italian labor into non-Communist controlled unions, ERP might be successful. ECA had the counterpart funds to support independent labor unions, but ECA could not openly perform such action, however, since signs of any American connection would immediately injure nationalistic sensitivities and destroy the movement before it really started. ECA had to act cautiously so that a labor movement could not be attributed to the American Government. ECA had no such machinery, but the Office of Policy Coordination (OPC)

25X1

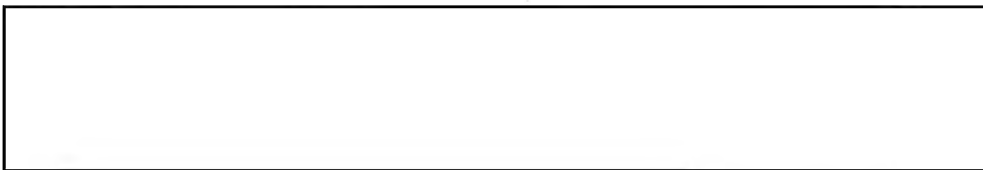
SECURITY INFORMATION
TOP SECRET

Page 64 of 95 pages

TOP SECRET
SECURITY INFORMATION

December 19, 1951

25X1



25X1

[redacted] of the State Department-OPC "treaty" of early 1950. OPC had requested State's Information people to define their respective responsibilities for covert propaganda operations. Covert activity was such that duplication could jeopardize all participants. A clearer delineation of areas in which OPC would operate and wherein State might operate was necessary. The State-OPC agreement required careful and time-consuming discussions. When approved, it provided that State would be responsible for all acknowledged American government activities in overseas areas. CIA alone would handle admittedly covert operations. For that middle area which has been traditionally classified as "grey" activities which were not officially acknowledged nor were they specifically covert, three criteria were established to determine State's or OPC's responsibility. If a negative answer could be given to all three criteria, then State and its Public Affairs people might engage in such undertakings. If the normal answer to any of three criteria was in the affirmative then State should abstain and assign its execution to CIA. The determining criteria in the "grey" field were:

1. If the particular operation or activity were actually disclosed as American initiated or supported, would it seriously embarrass the Government of the United States?
2. If the operation or activity were disclosed as American, would it seriously impair the value of the operation itself and make it ineffective in the future?

34/ Interview with Col. John L. Tappin (ECA) and Frank Wisner (CIA).

SECURITY INFORMATION
TOP SECRETPage 65 of 95 pages

TOP SECRET
SECURITY INFORMATION

December 19, 1951

3. If the activity or operation were disclosed as American, would it seriously impair a valuable operational mechanism? State and CIA would consult on all projects in the middle area. This same agreement was developed between ECA and OPC to handle covert activities bearing on ERP, with the additional provision that in case of doubt, CIA's decision would be determining. ^{35/}

25X1

^{35/} Conference with Col. John L. Tappin (ECA) and an appropriate CIA representative; (S) Foreign Service Information and Educational Exchange Circular No. 4 (1 Nov 51), "USIE and Indigenous Operations".

SECURITY INFORMATION
TOP SECRET

Page 66 of 95 pages

TOP SECRET
SECURITY INFORMATION

December 19, 1951

25X1

While ECA was energetically attempting to foster greater understanding and appreciation of America's interest in Europe's economy, the State Department's Informational Exchange program apparently continued on its peacetime basis. ECA information people sought State Department assistance in supplementing their programs on both the Washington and foreign mission levels. In Washington, the VOA maintained a newshound in the ECA newsroom. A daily summary of the

36/ (TS) Memo, Col. John L. Tappin to Acting Administrator, ECA, "Report on Visit to Europe, 19 September-4 October 1951", 17 October 1951; also conferences with Col. John L. Tappin, Andrew Berding and Roscoe Drummond (former ECA information chiefs in Europe).

SECURITY INFORMATION
TOP SECRET

Page 67 of 95 pages

TOP SECRET
SECURITY INFORMATION

December 19, 1951

major ECA materials was prepared by ECA for VOA programs. In addition, ECA prepared its own daily program which the VOA translated into its various languages as an over-all summary on ERP. At the diplomatic missions, mutually agreeable relations gradually developed between the ECA Information officer and the local USIS. Administrative difficulties in defining ECA's field of information when USIS was also responsible for all American information might cause minor irritation but the knowledge of Washington cooperation, together with the big information jobs which both USIS and ECA had to accomplish, caused each to accept local working agreements so that only an occasional unsolvable project had to be referred to high levels for settlement. A major difference between ECA and the USIS in 1949 was the emphasis and tempo of their informational activities. ECA viewed its information work as part of the aggressive attack against Communist influence in Western Europe. The USIS was still dominated by the slogan: "the full and fair picture of America". ECA wanted to inform so that the recipients would react in support of the American position and against Communist aims. USIS was still working on the principle that it was a straight news service which informed without expectancy of, or direct relationship to, favorable attitudes by the recipient.

This philosophy of the USIS merely represented basic concepts of the information program in the Department of State, which disliked to classify its activities as propaganda. They were doing information work. When Russian programs were increased in 1949 and the Russians reacted with a complete jamming of American Russian programs, the VOA was more concerned with the technicalities of getting the "Voice" heard in Russia, than it was in the content of the programs. This attitude resulted partially from the fact that the entire information program was still on the defensive within the Department. State's policy

SECURITY INFORMATION
TOP SECRET

Page 68 of 95 pages

TOP SECRET
SECURITY INFORMATION

December 19, 1951

makers kept the information people informed on policy, only when the planners considered it useful to their own purpose. The information people restrained themselves to prove that they were not trouble makers. Congress' suspicious attitude towards the entire information program also made the information people conservative and strictly legalistic about what they should be doing. ^{27/}

A similar attitude characterized State's leadership of the Inter-departmental Foreign Information Staff (IFIS) set up under the NSC-43 series. NSC-43/1 had directed that basic studies be prepared under the Secretary of State for a psychological warfare plan during a national emergency and the initial stages of war. After some nine months of study and interagency difficulties, IFIS had not progressed further than a proposal for an organizational pattern which should do the planning and initial implementation of psychological warfare in an emergency or the initial stages of war. A major reason for the failure of NSC-4 and NSC-43 to produce interdepartmental agreement on psychological activities was the fundamental difference of concept between State's planners and the military planners in Defense. They agreed that foreign information programs and psychological warfare programs in periods of national emergency were instruments of national policy and had to be directed towards the achievement of national aims. There was a vague agreement that there had to be continuity between peacetime and wartime plans and programs. Then divergencies commenced. State viewed psychological warfare as an aspect of over-all policy planning. The Department of State, traditionally and under legislative authority, was responsible for foreign policy planning. Therefore, State maintained that, whether in peace or war, policy planning was the responsibility of

^{27/} From 1947 until 1949, the Secretary of State had explicitly said that his Department was not to do propaganda work.

SECURITY INFORMATION
TOP SECRET

Page 69 of 95 pages

TOP SECRET
SECURITY INFORMATION

December 19, 1951

the Secretary of State. The military planners did not disagree fundamentally with State's responsibility. They maintained, however, that during a national emergency, and especially during wartime, policy planning must be closely coordinated with, and made partially responsible to, military planning.

There was yet another significant difference between State and Defense. Defense planners, trained in the system of staff planning, developed long range, or strategic plans, to fit the most probable future contingencies. This was one aspect of the military which was at complete variance with attitudes of the civilian planners in State. State Department for generations had operated on the basis that political contingencies were so variable and intangible that long-range political plans were impracticable, if not impossible. State planners had to wait and observe how situations developed and then improvise a policy and plan to fit that particular situation. This difference was a major factor in the frustrations of IFIS. The military wanted IFIS to develop long-range psychological warfare plans. Without a long-range political plan, State could not let IFIS develop a long-range psychological warfare plan. The military could not determine their respective responsibilities or requirements without such a plan. Hence round and round the argument went without resolution or reference to the basic differences involved. The failure of the two major participants in national policy planning to reconcile their differences resulted in the failure of the NSC-43 effort and of subsequent efforts.

IFIS, under NSC-43 and 43/1, attempted to develop a national policy statement on psychological warfare which would set forth the national position during an emergency or the initial stages of war. During 1949, many staff papers were written, and departmental comments and criticisms elicited, in the preparation of a basic policy which

SECURITY INFORMATION
TOP SECRET

Page 70 of 95 pages

TOP SECRET
SECURITY INFORMATION

December 19, 1951

might be acceptable to the State and Defense Departments. The State members of IFIS were apparently hampered because the policy people, as distinct from the Public Affairs people, were still suspicious that IFIS was really trespassing on State's policy prerogative. The military on IFIS, although outnumbering State's representatives, felt themselves frustrated by that Department's limiting of IFIS to operational coordinating activities and organizational proposals, which the Department felt was the primary responsibility of the Secretary of State. With that view, military suggestions for plans and for necessary policy statements from the political side of State were tabled by the chairman of IFIS. State people were unhappy because their inquiries about the detailed implementation of information programs by the Armed Services information units ran into a stone wall of military compartmentalization. The result was that while IFIS had extended discussions and worked up many drafts of informational and psychological plans, its only real contribution was the development of another proposed psychological warfare organization for NSC consideration. ^{38/}

IFIS's inadequate results came before the NSC in December 1949 as NSC-59. This paper reaffirmed the principle that in peacetime, during a national emergency and in the initial stages of war the Secretary of State would determine policy matters and handle operational coordination. In an emergency, IFIS, which the proposal urged be kept in existence, and State's Public Affairs would provide the nucleus for an ad hoc psychological warfare organization. The IFIS group should continue to develop a plan for an interim psychological warfare organization in time of national emergency and the initial

^{38/} Conferences with Col. Paul Davis, Col. William Kinnard and Mr. Walter Schwinn.

SECURITY INFORMATION
TOP SECRET

Page 71 of 95 pages

TOP SECRET
SECURITY INFORMATION

December 19, 1951

stages of a war, together with an outline for a wartime psychological warfare organization. NSC-59, as presented to the National Security Council, was primarily the point of view of the State Department, and it did not provide for sufficient coordination with the Department of Defense, and particularly with the Joint Chiefs of Staff. Hence, the Defense Department proposed that NSC-59 be amended to assure that psychological warfare would be considered as an integral part of the national policy. Defense stated that psychological warfare plans had to be in consonance with military plans and required the guidance of the Joint Chiefs of Staff. ^{39/}

This proposed alteration was accepted by NSC and approved by the President as NSC-59/1 and became the basis for continued frustrating interdepartmental meetings between Defense, State and CIA. The major advance of 59/1 over NSC-43/1 was the acceptance of the position that until further decision was made in the event of the actual outbreak of warfare, psychological warfare was primarily the responsibility of the State Department. More significantly NSC-43 had provided for planning limited to overt psychological warfare, whereas NSC-59/1 conceived of, and attempted to provide for, the inter-relationship and liaison of overt and covert activities in one organization. This decision also rescinded NSC-4 and 43 although it retained IFIS.

While NSC-59 was in the process of consideration, several developments in the departments must be taken into account. On the military side, greater attention was being given to psychological warfare matters since increasing tensions between the USSR and America made complete war planning more desirable and necessary. On the Joint Chiefs level, closer attention by the Joint Strategic Plans Group (JSFG) was given

^{39/} (S) NSC-59, "Foreign Information Program...", 25 December 1949;
(S) NSC-59/1, "Foreign Information Program...", 9 March 1950.

SECURITY INFORMATION
TOP SECRETPage 72 of 95 pages

TOP SECRET
SECURITY INFORMATION

December 19, 1951

to overt and covert psychological annexes to various war plans. More importantly, the serious inadequacies of psychological warfare in the theatres of operation during an emergency compelled JSPG, and even the JCS, to take a position on the long envisaged Armed Forces Psychological Warfare Organization which had been "kicking around" the departments for more than a year. The eventual solution was a compromise establishing the Joint Subsidiary Plans Division (JSPD) which was formally approved by JCS in December 1949. JSPD was established under the Joint Chiefs of Staff, but was still responsible in part to the Director of the Joint Staff. It was considered, however, to be independent of the Joint Strategic Plans Group and its subcommittee on psychological warfare. JSPD was explicitly authorized to handle intradepartmental coordination of psychological warfare for the JCS, to insure that there was departmental agreement on psychological warfare policy and operations, and that all plans had been coordinated with JSPG. The head of JSPD would represent the JCS for the policy liaison with OPC and with IFIS even though these were extra-official developments. In its liaison capacities, JSPD was authorized to represent the views of the JCS and, with proper intra-agency coordination, give JCS approval to interdepartmental plans and proposals for psychological warfare. A major JSPD function was supervising, even if not controlling, the military services' logistic planning for psychological warfare and their logistic support of current OPC operations. In fact, OPC pressure to have one central office to which OPC personnel and logistic demands could be channeled to the military with the expectation that they would be fulfilled, had been a contributing factor in JSPD's establishment. ^{40/}

^{40/} (TS) JCS 203/73, "Joint Subsidiary Plans Division", 6 Dec 1949. Interviews with "appropriate CIA representatives".

SECURITY INFORMATION
TOP SECRET

Page 73 of 95 pages

TOP SECRET
SECURITY INFORMATION

December 19, 1951

OPC had been hindered in its covert operations by lack of military support. Equally important to OPC was the increasing danger to its operational security arising from the necessity of frequent, detailed explanations of its covert operations to the lower military supply levels to justify OPC requests for military aid. It was expected that JSPD participation in OPC policy and planning would give it the background on and justification for OPC's personnel and logistic requirements. JSPD might forward these requirements to logistic divisions with the official statement that they were in accordance with JCS plans and policy and hence they should be fulfilled. This procedure stopped unnecessary talk about covert activity, and it enabled JSPD to tabulate the requirements which OPC actually secured. JSPD could, therefore, not only insure that the military fulfilled their responsibilities, but it also could evaluate OPC operations in the light of the policies expressed and the materials provided. One limitation on JSPD's coordinating effectiveness was the fact that only in the person of the Chief of JSPD did overt and covert psychological warfare come together. On JSPD working level there were separate and fundamentally unrelated groups specifically limited to overt or covert operations. Another limiting factor on JSPD effectiveness was the confused status of JSPD in relation to the Psychological Warfare Subcommittee of JSPG. This issue did not arise in the first year because of the personality of the first Chief of JSPD, and because of JCS' interest in psychological warfare. However, JSPD's establishment vastly improved the handling of psychological warfare planning and coordination on the military levels. 41/

41/ (TS) JCS 203/73, "Joint Subsidiary Plans Division," 6 December 1949. Interview with appropriate CIA personnel and Rear Admiral Leslie Stevens, USN, (Ret.)

SECURITY INFORMATION
TOP SECRET

Page 74 of 95 pages

TOP SECRET
SECURITY INFORMATION

December 19, 1951

While JCS increased its psychological warfare personnel a single officer continued to handle the Navy's interest in psychological warfare planning and operations. Studies on psychological warfare and anti-submarine warfare were initiated in 1950 by the Navy. Extensive funds were provided by the Office of Naval Research for outside studies and evaluations of psychological warfare's possible contribution to this major interest of the Navy. The Air Force, with a Psychological Warfare Section of its Planning Division, continued to develop increasing emphasis on the logistic requirements and training programs for psychological warfare. In the Department of the Army, there was extensive recognition of the need for a psychological warfare organization but little seems to have resulted before the Korean incident. In early 1949, Wallace Carroll, who had had long OWI experience in World War II, prepared a study with recommendations on the Army's participation in psychological warfare. Immediate results were not forthcoming even though a complete reorganization of the Army's General Staff was being considered. The General Staff apparently continued to accept a former Secretary's viewpoint that psychological warfare was not a regular military activity and it should not concern the military until the shooting war started. The psychological warfare responsibilities of the Army, therefore, continued to be handled by two officers in the General Plans Branch of P & O, and subsequently G-3 of the General Staff. ^{42/}

^{42/} (TS) Tyler Port "Army Organization for Psychological Warfare and Special Operations", 12 April 1950. It is interesting to note his conclusion regarding the Army's interest in psychological warfare up until early Spring of 1950. He mentioned that the study "gave him the distinct impression that a feeling of hopeless frustration surrounds the entire history of postwar development...psychological warfare".

SECURITY INFORMATION
TOP SECRET

Page 75 of 95 pages

TOP SECRET
SECURITY INFORMATION

December 19, 1951

While the JCS action on JSPD had improved the position of the military on psychological warfare the State Department went through one of its perennial reorganizations which greatly improved its information program. The information program had been in State Department, but the information people felt that it was not of State Department. This situation underwent gradual improvement after a high-ranking Foreign Service Officer was brought back to the Department as the Assistant Secretary of State for Public Affairs. All developments in State's information program need not be considered but two are worthy of mention. A representative of the Public Affairs Sections (P Area) was assigned as a regular attendant at the State Department's policy staff discussions. Thereafter, planners of the information program were informed of, and could present their views on, policy as policy was in the process of formulation. This representation on the policy planning staff tended to give information people the feeling that they were a part of State's team. It also widened the horizons of State's planners so that they more readily considered the psychological reactions which might be expected. The policy planners had claimed that they always gave consideration to the psychological elements of policy. It can hardly be questioned, however, that the presence of an individual trained and responsible only for the psychological elements could not help but highlight these aspects to an extent which the policy planners concerned with all the other factors of policy formulation might not realize. What might appear as an insignificant development in intradepartmental organization tended to become a major factor in improving the position and the importance of the P Area and the Information Program within the Department. A second step, accelerating the appreciation of psychological activities, was the assignment of a Public Affairs Specialist to the geographic sections of State. Thereby each area secured a person

SECURITY INFORMATION
TOP SECRET

Page 76 of 95 pages

TOP SECRET
SECURITY INFORMATION

December 19, 1951

trained and knowledgeable in information activities who was also an integral and responsible part of the areas' operations.

The over-all effect of this partial decentralization of State's informational planning was beneficial. The geographic desks gave more attention to the information problems as a part of their regular activities. These specialists provided a sympathetic contact point in the major geographical areas for keeping the P area cognizant of major developments and general trends. Subsequently, it would seem that the decentralization temporarily weakened the planning staff of the P Area at a most unfortunate time. The Assistant Secretary for Public Affairs had selected his best people and assigned them to the geographical areas in order to make the best impression. This left the P areas without its better planners. This weakness was balanced by the fact that having assigned the responsibility of these informational planners to geographical areas, the transplanted information specialists, when adopted by the geographic areas, recommended approaches proposed by the P Area. The serious psychological problems arising at the outbreak of the Korean war were resolved by these information specialists on the geographic desks bringing into harmony the major objectives of the geographical areas with those of the P Area. These specialists performed capable information operations by getting the propaganda objectives in early and thoroughly discussed in each geographical area. The isolation of the P Area from policy formulation was, thereby, minimized.

Despite these intradepartmental developments, the status of IFIS had not fundamentally changed even under NSC-59/1 which had been approved by the President in early March 1950. IFIS continued to be plagued by interagency rivalries with the result that no constructive action

SECURITY INFORMATION
TOP SECRET

Page 77 of 95 pages

TOP SECRET
SECURITY INFORMATION

December 19, 1951

was taken prior to the start of the Korean action. Meanwhile, international developments had moved at an unprecedented rapid rate. The cold war was officially recognized as a non-military struggle for power by the Kremlin imperialists against the Western powers. The North Atlantic Treaty had been signed in a blaze of publicity directed at increasing the domestic and foreign appreciation of its significance. The North Atlantic Treaty Organization (NATO) was a milepost in fulfillment of NSC-20/4, unifying the military potential of the West in case of Soviet aggression. NATO's Council of Ministers could expand the military and political alliance into an economic unification.

American success in Western Europe was not matched in the Far East. The weakening of the Chinese Nationalist Government had become obvious and by the end of 1949, its continued existence in exile on Formosa was a matter of doubt. Since Marshall's failure in China in early 1947, American policy wrote off China as an area where we could do nothing. The White Book on China publically characterized the Chinese Nationalist Government as a useless encumbrance to our Far Eastern policy. Meanwhile, the long-disputed pretense of the Chinese Communists to be agrarian reformers wore thin as their power increased. Their anti-foreign, and virulently anti-American, policy and propaganda became more clearly evident. There were even indications that their anti-Americanism was proportionate to their pro-Sovietism. The increasing tensions in Europe and the Far East, and the emotional repercussions to Soviet's first atomic bomb caused American leaders, in early 1950, to reconsider national objectives and aims adopted in November 1948.

Acting on the Presidential directive, the Secretaries of State and Defense prepared a special report analyzing the existing crisis. This new study reiterated the basic NSC-20/4 position that the Kremlin's

SECURITY INFORMATION
TOP SECRETPage 78 of 95 pages

TOP SECRET
SECURITY INFORMATION

December 19, 1951

policy was a threat to American security. NSC 20/4 had visualized a four or five year period of critical tensions during which the United States and the Western powers could prepare their political, military and economic strength for a possible showdown with the USSR, if that nation insisted on war. Now, however, Soviet possession of the atomic bomb, their close alliance with Communist China, their stricter control over their satellites, all these indicated that the Kremlin was preparing for a more immediate showdown. The Secretaries of State and Defense, therefore, recommended that the programs, visualized in NSC-20/4, be immediately rushed to completion and that the United States and its Western Allies most rapidly improve their military position. This report initiated extensive NSC planning to develop budgetary estimates demanded by the expanded and accelerated defense program. While this planning was still in process, the Korean crisis of 25-27 June 1950 startled the nation.

What psychological considerations entered into the American decision to provide air and Navy cover for South Korean forces under the United Nations auspices, and subsequently to engage in police action, is not clear. The President's statements and subsequent public addresses indicate that the psychological factor was a major element in the decision to accept the Korean issue as Communist-inspired ruse which the West could only ignore with serious loss of prestige and influence. The Korean incident clarified American policy toward Russia and also raised psychological activities to a higher policy level.

While the Korean crisis gave increased emphasis to psychological operations, aggressive psychological warfare against Russian Communism had been developed and implemented prior to the Korean war. The entire

SECURITY INFORMATION
TOP SECRET

Page 79 of 95 pages

TOP SECRET
SECURITY INFORMATION

December 19, 1951

ECA Information Program, both its overt and covert activities, were the aggressive implementation of psychological warfare techniques and methods to counter Russian efforts to weaken America's position and to strengthen popular support for that position throughout the West. In State's Information Program, an increasingly aggressive attitude towards the Russians had developed sometime before the Korean incident. In 1948, State's guidance on the Italian elections had aggressively set forth the American position on expanding Communist power without mentioning Russia, or the Kremlin. In 1949, however, its directives were aggressively directed at Russian statements and Russian actions. In July 1949, State informed its information people that they were openly and explicitly to point out Russian lies and to point the accusing finger at the Russians. In the summer of 1949, the information people at the overseas mission were told to circulate American information even if it made routine diplomatic negotiations more difficult. Voice of America programs discrediting the Russians were developed and the number of Russian language programs increased. These signs indicated that the State Department was getting away from the old theory of the "fair and full" picture of America. ^{43/}

The pressure of international developments compelled the State Department to take a more aggressive attitude in its information program. Its proposal to counter Russian jamming of its VOA programs to Russia and Russian-dominated areas by increasing transmitters under "the ring plan" was indicative. ^{44/}

^{43/} Interview with Walter P. Schwinn and E. H. Kroman, Jr. The summary index of Public Affairs guidances and directives also indicates the trend toward "a tough attitude" toward Russia.

^{44/} NSC-66, "Support for the Voice of America...", 4 April 1950. Also JCS 2043/6, 5 April 1950, and subsequent papers in that series.

SECURITY INFORMATION
TOP SECRET

Page 80 of 95 pages

TOP SECRET
SECURITY INFORMATION

December 19, 1951

The "Campaign of Truth" was additional evidence of State's stiffening attitude toward Russia. It is not clear when and where the concept of the "Campaign of Truth" originated. The closer integration of the information program with State's policy planning must have made the P Area planners conscious of the background papers to the NSC-68 series. This reappraisal of American objectives toward the USSR explicitly listed an intensified information program as a policy instrument which would check possible Russian aggression. The P Area people had to prepare the detailed plans to implement this great effort. The public announcement of the "Campaign of Truth" was made by the President on April 20, 1950, but the basic principles underlying this campaign were visualized in the draft of NSC-68.^{45/}

In the political and psychological estimate of NSC-68 frequent mention was given to the psychological elements: to the power of American public opinion, to our own confidence and sense of moral direction, and to the necessity of stimulating similar feelings among our Allies. If Americans increased their own confidence and moral sense, they would evoke similar strength in our Allies and other free peoples. NSC-68, in providing for the acceleration of America's defense against Russia, explicitly urged

the development of programs designed to build and maintain confidence among other peoples in our strength and resolution, and to wage overt psychological warfare calculated to encourage mass defections from Soviet allegiance and to frustrate the Kremlin's design in other ways.^{46/}

^{45/} President Truman's Address to the American Society of Newspaper Editors, 20 April 1950. State Dept. Bulletin, XXII (1 May 1950) pp. 669-672.

^{46/} (TS) NSC-68, "U.S. Objectives and Programs for National Security", 14 April 1950, pp. 21-24, 56-57.

SECURITY INFORMATION
TOP SECRET

Page 81 of 95 pages

TOP SECRET
SECURITY INFORMATION

December 19, 1951

The Campaign of Truth was prepared by the Public Affairs Section of State Department as part of the over-all political program to strengthen the international position of the Western powers, and yet to maintain the possibility of continued negotiations with Russia. Russian propaganda with its emphasis on Western war-mongering in contrast to Soviet peaceful intentions was putting the United States in an unfavorable psychological position. America could not refuse to negotiate with Russia, and America could not give the Russians a propaganda victory by requesting the Russians to negotiate. The Campaign of Truth, while it took a firmer attitude, would prove the basic falsity of Russian propaganda and emphasize that America's unchanging aims had always favored peace and adequate negotiation of all difficulties. The Campaign of Truth has been considered by many to be the real start of revived psychological planning within the Department of State.

Previous planning in this field had been on the basis of expediency and improvisations. When a crisis developed it was then decided how it might best be handled. The Campaign of Truth was, however, premised on fundamental goals and policies. The trend of developing situations would not change these goals and policies although the operational emphasis might be varied as it appeared to be most appropriate for the success of American policy. The planning of the Campaign of Truth was in a sense a revolutionary process within the P Area of the State Department. It appears to have been State's first effort to do detailed long-range planning. To determine areas of most immediate importance and within these areas the most effective targets for psychological activities, the world was divided into four major categories. Russia itself comprised the first category. While it was the most important target it was recognized as the area least

SECURITY INFORMATION
TOP SECRET

Page 82 of 95 pages

TOP SECRET
SECURITY INFORMATION

December 19, 1951

capable of being influenced by overt activity. In the second category were the satellite areas which provided possible targets for eventual successful psychological attack, but which in the immediate future had to be considered as areas wherein only the ground work for future attitudes might be prepared. Most importantly there were the peripheral areas around the Communist countries, i.e., that group of strategically important but neutrally inclined nations on whom the Communists might bring immediate and future pressures. This peripheral area was first subdivided into the immediately dangerous areas such as Western Germany, Iran, and Southeast Asia where existent Communist pressures could be recognized. Then there were the areas presenting longer term problems such as India, France and Italy, where danger of Communist pressure existed but where the general trend was in support of the Free World. Finally, there were peripheral areas, the Scandinavian countries and the Arab world, where the influential opinion had to be so prepared that these areas which were attempting to maintain neutrality in the cold war, would be sympathetic towards the Western world if a shooting war started. A system of priorities was developed for the handling of programs to these various areas together with detailed guidances on the strong and weak points of the American position in each separate area. In this way the Campaign of Truth was prepared in early 1951 as an integral part of national policy.

Concurrently with policy planning, the P Area was doing extensive technical planning. After preliminary private studies, it had proposed the "Ring" plan to counterbalance Russian jamming of VOA and BBC. New powerful transmitters would be established along the Iron Curtain to transmit and to relay American broadcasts with such volume and in such a pattern that peoples within the Communist sphere could hear the American message despite the most extensive Russian efforts to jam and

SECURITY INFORMATION
TOP SECRET

Page 83 of 95 pages

TOP SECRET
SECURITY INFORMATION

December 19, 1951

distort it. This program was detailed in the Annex to NSC-68/1 on the Information Program. It provided for a series of five-year appropriations averaging \$120,000,000 a year for the information program. The assumptions on which this information program was based were stated in the same document:

- (a) "USSR is waging psychological warfare against the Free World and its propaganda is a major threat to American Foreign Policy."
- (b) "The Free World's effort to counter USSR policy by political, economic and military means 'can obtain maximum results only if the psychological effect of these programs is beneficial to, and in support of, their objectives'".
- (c) "The psychological offensive based on truth is essential if the United States is to succeed in its foreign policy objectives."

The Annex then emphasized that the American information program must increase the Free World's psychological resistance to increased Soviet aggression, that it must create doubt among the peoples in the Soviet-dominated areas and develop "a community of interest" among the governments and peoples of the Free World so that they would act in a determined manner against Communist aggression.^{47/}

While State Department was reacting to the intensifying situation by developing its Campaign of Truth, inter-departmental coordination and planning under NSC-59/1 was not progressing. While State's P Area had been issuing weekly guidances from March 1950, it was not until July that inter-departmental coordination

^{47/} (TS) Annex 5 to NSC-68/1, "U.S. Objectives and Programs...", 21 September 1950.

SECURITY INFORMATION
TOP SECRET

Page 84 of 95 pages

TOP SECRET
SECURITY INFORMATION

December 19, 1951

and approval gave State guidances authoritative policy control over the psychological activities of the military services. With fighting in Korea and particularly during the first withdrawal of American and UN contingents southward, there was general agreement among the political and military leaders that the Korean action offered innumerable possibilities for psychological operations, if a national policy could be provided to coordinate the various service and agency activities in this field. State Department had a developed USIS activity in South Korea, operating on a peacetime basis, in June 1950. A psychological warfare planning nucleus had existed in the Intelligence Division of the Headquarters of the Far Eastern Command since 1949. When the Korean incident started, however, neither the USIS in Korea nor the psychological warfare staff in the Tokyo Headquarters had developed or coordinated a plan for cooperative operations in an emergency. People in USIS and also in the Headquarters Staff undoubtedly were familiar with the SWMCC 304 series that in case of war, State's informational facilities in theatres of operation would come under the theatre commander. This transfer took place within two weeks, although not without some harassment and injured feelings.

While the administrative problem of psychological activity was settled by this unification, the problem of psychological policy control remained. The theatre took the position that its psychological warfare division, aware of the tactical requirements and responsible to the theatre commander, should determine the psychological warfare plans. State's representatives agreed that the tactical situation was important. They insisted, however, that the type of operation in Korea was such that explicit and controlling political directives were needed from the State Department. Here in new form was the old

SECURITY INFORMATION
TOP SECRET

Page 85 of 95 pages

TOP SECRET
SECURITY INFORMATION

December 19, 1951

problem of World War II. Did the political agency, during actual military action even though not war, give directives to a theatre commander which would control his psychological warfare operations? It is not certain that the issue was ever raised in those words on the Washington level. The representatives of the Joint Chiefs of Staff, of the Military Services, and of P Area in State, were clearly conscious of this issue, particularly in light of the Korean incident being classified as police action and the peculiar personality factors in the Far Eastern Command.

The Washington solution for this issue was accomplished informally by using the departmental consultants to the Secretary of State under NSC-59/1. State obtained interservice and JCS agreement to its policy guidances on the government's information program on Korea. These guidances controlled Voice of America output from the United States and its relay points throughout the world. The same guidance was also sent through Army communications to the Theatre Commander in Tokyo as approved national policy on psychological warfare. In this way the theatre commander was provided with propaganda guidances coming, as far as he officially knew, from the JCS. Even with the best of communications, Washington could not conceive of the many tactical variances arising from the rapid retreat, and almost equally sudden offensive, of the UN forces during 1950. Policy differences arose between Washington and the theatre commander and also between the civilian and military members of his staff, but these differences were in the main passed off as details of implementation rather than basic policy problems.

As the Korean action commenced, the policy liaison between departments in Washington continued mainly on an informal basis. In mid-August, however, State Department publically announced the

SECURITY INFORMATION
TOP SECRET

Page 86 of 95 pages

TOP SECRET
SECURITY INFORMATION

December 19, 1951

establishment of a "National Psychological Strategy Board" to develop plans and guidances for the more effective implementation of America's foreign information program. The National Psychological Strategy Board was under the chairmanship of the Assistant Secretary of State for Public Affairs and consisted of the previously mentioned policy consultants under NSC 59/1 of the Secretary of Defense, the JCS and the Director of Central Intelligence. In addition, representatives of the National Security Resources Board and ECA joined in the discussions. This Board met weekly to discuss and give at least informal approval to State's weekly guidances. It also reviewed the psychological warfare planning activities of the IFIS staff. For example, in August, this Board recommended that additional research be started on balloons as possible means of getting American views to the Russian people if a war could not be avoided. ^{48/}

Meanwhile the IFIS Staff had been attempting to develop an organization for psychological warfare planning during a national emergency. This was one of the three responsibilities assigned to IFIS under NSC-59/1 but at that moment, it was the only one on which State and Defense representatives in IFIS had some hopes of reaching an agreement. State officials were determined that any nucleus for peacetime psychological warfare planning be retained in the Department of State in view of Congressional legislation. On planning during wartime, JCS and the services wished to participate in policy planning as well as in coordination of psychological plans with military plans. State Department insisted that policy planning whether in peace or in war was the function of the Secretary of State. Because agreement could not be reached on the extreme positions and because

^{48/} (S) Under Sec/State to NSC, "Second Progress Report...on the Foreign Information Program (NSC-59/1)", 17 October 1950. State Dept. Bulletin XXIII (28 Aug 1950) p. 335.

SECURITY INFORMATION
TOP SECRETPage 87 of 95 pages

TOP SECRET
SECURITY INFORMATION

December 19, 1951

psychological planning during a national emergency seemed most urgent, IFIS eventually came up with a proposal which was sent to the NSC as NSC-74.

This paper was a State Department proposal. Psychological planning in an emergency should be performed by an independent agency, the head of which would be appointed by, and be responsible to, the Secretary of State. The proposal continued the existent interdepartmental liaison, suggesting a board of policy consultants representing JCS, the services, CIA and the State Department, with a permanent staff from these same departments to prepare and coordinate the detailed plans and recommendations for psychological activity. It provided that the Secretary of State would be responsible for the formulation of policy and for the coordination of policy and plans for overt psychological warfare with the JCS and with covert planning. The Secretary of State would also be responsible for the implementation and coordination of the national psychological warfare effort outside of military theatres. The JCS would be responsible for the execution and coordination of all psychological measures in military theatres. This State proposal was opposed by the military, particularly the Secretary of Defense and the JCS. In view of the Korean situation, which was not war and certainly not peace, the military wanted the proposed psychological strategy board to be an independent agency, responsible only to the National Security Council or to the President. During the Fall of 1950, the NSC Senior Staff attempted to reconcile these divergent views. Admitting failure on 28 December 1950, the Senior Staff, in its own paper, NSC-74/1, reviewed the arguments on both sides and requested an NSC decision whether the proposed psychological strategy board should be under the Secretary

SECURITY INFORMATION
TOP SECRET

Page 88 of 95 pages

TOP SECRET
SECURITY INFORMATION

December 19, 1951

of State or be an independent office under the National Security Council. ^{49/}

Paralleling but apparently independent of the State-Defense differences about the proposed new agency to plan and coordinate the American psychological effort was CIA's developing demand for clearer directives covering covert operations. It will be recalled that OPC of CIA was the agency under NSC-10/2 responsible for the planning and execution of covert operations to carry out national policy. To provide policy guidance, and necessary administrative support from the Department of Defense and the Department of State, a policy liaison committee representing the Secretaries of State and Defense had been explicitly authorized by NSC-10/2. When JSPD was established in January 1950, its chief was invited to these weekly policy liaison meetings. His regular attendance developed into an extra-legal membership on that policy committee. However, with the outbreak of the Korean incident and particularly with the approved national policy set forth in NSC-68/2, the increased demand for covert operations raised worrisome problems for the head of OPC and subsequently for the Director of Central Intelligence (DCI).

25X1

^{49/} (TS) NSC-74, "Plan for National Psychological Warfare," 10 July 1950; (S) Memo, Exec Sec to Senior Staff, "The National Psychological Effort," 8 December 1950; (TS) NSC-74/1, "Plan for National Psychological Warfare," 28 December 1950.

SECURITY INFORMATION
TOP SECRET

Page 89 of 95 pages

TOP SECRET
SECURITY INFORMATION

December 19, 1951

these covert activities, while directly authorized by NSC, required substantial increases in OPC personnel and funds as well as logistic support. These OPC requirements could only be provided by the Defense and State Departments since Congressional appropriations to CIA had been voted solely for its intelligence activities. The President's secret defense funds were not sufficient and it was not proper that they be used only for covert operations. There was also an administrative problem arising from these increased demands for covert operations. OPC would become a larger organization than its own administrative parent, Central Intelligence Agency. This administrative difficulty was a thorny issue in view of the unique arrangements which had been allowed to develop between the head of OPC and DCI. DCI, although authorized by NSC-10/2 to supervise OPC, had allowed OPC to go its own way. In the Fall of 1950 a new Director of Central Intelligence arrived. The new DCI determined that OPC would be an integral part of CIA and OPC would come under his policy, as well as administrative, responsibility. He also decided that if NSC wanted CIA to increase its covert activities, NSC should explicitly direct that the personnel and material support for such covert operations would be provided by the Departments of Defense and State. The CIA/OPC people, as well as the Director of Central Intelligence, also wanted more explicit policy guidance for covert activity from these Departments and from NSC. These covert problems were developing in CIA and being suggested to the NSC staff when that staff was concerned with the reconciliation of the State-Defense disagreement over the psychological strategy board. ^{50/}

^{50/} Interviews with appropriate CIA authorities, with John Magruder, Rear Adm. Leslie Stevens. There is a large file of OPC working papers on this problem which has been collected under the heading, (TS) "Magnitude".

SECURITY INFORMATION
TOP SECRETPage 90 of 95 pages

TOP SECRET
SECURITY INFORMATION

December 19, 1951

The confusion in the covert psychological effort was brought to the attention of the National Security Council in early December. Central Intelligence was informed that the President was preparing to proclaim a state of national emergency. Covert operations under paragraph 4 of NSC-10/2 would then become the direct responsibility of the JCS. CIA desired to be certain that the National Security Council properly understood the implications of covert operations and that, if necessary, it would direct paragraph 4 in NSC-10/2 be held in abeyance. At an NSC meeting in early December the DCI presented this problem to the NSC as well as CIA's increasing responsibilities for covert operations. He clearly indicated the need for CIA having psychological policy directives interpreting the NSC objectives from an agency on a much higher level than the existing policy liaison committee. It is not clear what impression CIA's appeal had on the National Security Council. NSC did order that JCS' control of covert operations in case of a national emergency should be held in abeyance until this issue be further considered and a final decision given. There was no evidence of any NSC attitude on the requested policy directives to govern covert operations.

This CIA effort to improve the planning and administration of covert operations paralleled the disagreement between State and Defense on the psychological strategy board proposed in NSC-74. There was still another parallel development which seems to have substantially influenced the Presidential decision in early January to remove the issue of psychological operations from NSC. Congressional and public opinion had been anxiously aroused by the Soviet's atomic explosions. There had been Congressional proposals that the enormous appropriations for national defense and atomic development might better be used for overseas informational programs which might wean

SECURITY INFORMATION
TOP SECRET

Page 91 of 95 pages

TOP SECRET
SECURITY INFORMATION

December 19, 1951

the world and even Russia away from aggressive action. There had also been serious Congressional discussion of an intensified American psychological effort to weaken the Russian position. With the blessings of State Department's Public Affairs people, Congress was considering a series of resolutions proclaiming America's continuing friendship for the Russian people as distinct from the Kremlin. It was hoped that such official statements might develop a psychological cleavage between the Russian people and their leaders. Similarly, in discussions of continued recovery aid there had been increased attention given to the use of such funds to entice the Russians and their satellites to peaceful cooperation with the Western powers. There were also rumors that Congressmen and influential business leaders were organizing to push for a stronger American psychological effort to counter the apparent Russian victories in the world-wide propaganda war. The National Free Europe Committees, more widely known by its well publicized Radio Free Europe, attracted a great deal of public attention in the Fall of 1950. In Congressional discussions, there were invidious comparisons between the approach of Radio Free Europe, a private adventure, and the official Voice of America in their respective programs to the Russian people. These elements raised the specter of a Congressional decision for an American psychological warfare organization.

It is not now possible to estimate the influences which resulted in the President's decision on NSC-74/1. The NSC staff had requested that the National Security Council decide whether the proposed psychological strategy board should be responsible to the Secretary of State or be an independent body. It is not clear whether the NSC made any recommendation to the President, but it is reported that the President, having already considered setting up an independent board, informed the

SECURITY INFORMATION
TOP SECRET

Page 92 of 95 pages

TOP SECRET
SECURITY INFORMATION

December 19, 1951

NSC on 4 January 1951 that he was requesting the Director of the Bureau of the Budget and Admiral Sydney Souers to study and resolve the question for him. The President indicated that he was disgusted at the interagency bickerings and the continued inability of his two major executive departments to settle their own problems. He was, therefore, taking it out of the interdepartmental discussion and he would make a personal decision. However, months were to elapse before Souers and Lawton, the Director of the Budget, came up with the desired directive establishing an independent psychological strategy board which was approved and promulgated by the President on 4 April 1951. ^{51/}

It would appear that the President had determined to establish a separate board for psychological activities before he assigned Souers and Lawton their task. During the subsequent three months, all the old arguments representing the positions of State, Defense and CIA were hashed over with Souers. Some Bureau of the Budget people were opposed to another separate agency. Defense and CIA apparently were in independent agreement on the desirability of an agency separate from State with coordinating authority but without operational responsibilities. Representatives of State long argued that any independent body must necessarily conflict with the policy planning prerogatives of the Secretary of State. State suggested that its existing National Psychological Strategy Board fulfilled all the functions and requirements of a new agency, if only the NSC or the President would formally sanction it. The "give and take" of the various positions was evidenced in the many revisions of the

^{51/} Interview with Rear Adm. Sydney Souers, USN, (Ret.)

SECURITY INFORMATION
TOP SECRET

Page 93 of 95 pages

TOP SECRET
SECURITY INFORMATION

December 19, 1951

draft directive. ^{52/}

Eventually in late March 1951, there was general, but not enthusiastic, agreement on a directive to establish a Psychological Strategy Board (PSB). This directive was approved and promulgated by the President on 4 April 1951. Like most government action, this directive was a compromise. PSB was an independent entity, but PSB actually was a committee of the top policy officials of the three interested agencies: State, Defense and CIA. An independent Director would be appointed by the President to provide a responsible person to present papers to the PSB and to execute its decisions. However, the directive explicitly stated that PSB and its staff would not become an operating agency. PSB was authorized to plan psychological operations on the strategic level of the NSC, to coordinate the implementation of the psychological strategy by the operating agencies, and to evaluate the results of the entire psychological effort in its fulfillment of national policy. Finally PSB was authorized to report directly to NSC and to the President. The major accomplishment of the directive for PSB was that interdepartmental planning and coordination in the psychological field was raised to a much higher level, just below the NSC but with a tenuous connection to the President. IFIS, and IFIO, under the NSC-43 and 59 series had been under the departments. PSB now was in a sense on a level parallel with, if not equal to, the departments.

The President approved PSB's establishment on 4 April 1951 but additional months elapsed before PSB met and its staff was organized. Hence, after four years of unsuccessful interdepartmental discussions about America's psychological activity, the separate interdepartmental

^{52/} Interview with Adm. Souers and Charles Schwartzwalder, Bureau of the Budget.

SECURITY INFORMATION
TOP SECRETPage 94 of 95 pages

TOP SECRET
SECURITY INFORMATION

December 19, 1951

organization recommended by SWNCC had been adopted. Only time will tell whether the PSB idea was the appropriate solution.

SECURITY INFORMATION
TOP SECRET

Page 95 of 95 pages

Page Denied